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ABSTRACT

The House select committee met to hear testimony from parents, children, service providers, and researchers concerning the effects of job and income loss on families in central Illinois. The testimony of the first panel consisted of personal narratives. A high school student whose parents may move the family in order to find better paying jobs discussed the threat of leaving friends, relatives, and school. Three men discussed personal and family hardships that resulted when they were laid off from jobs in farm machinery manufacturing. Another man told how he feels about raising a family while working at a minimum wage, dead-end job. Two social workers from agencies serving families in the region discussed the effects of chronic unemployment on families, as well as economic crisis. The second panel consisted of researchers and service providers. Their testimony outlined the effects of the long-term agricultural depression on rural health care, examined the parallels between 1930s depression families and today's farm families, reported perceptions of farm residents regarding quality of life and levels of stress, and documented the need for mental health and other family support services. This report includes transcription of the hearing proceedings, prepared statements, letters, and supplemental materials. (JHZ)

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CHILDREN AND FAMILIES IN THE MIDWEST: EMPLOYMENT, FAMILY SERVICES AND THE RURAL ECONOMY

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HEARING

BEFORE THE

SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

HEARING HELD IN GALESBURG, IL, AUGUST 11, 1986

Printed for the use of the
Select Committee on Children, Youth, and Families

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CHILDREN AND FAMILIES IN THE MIDWEST: EMPLOYMENT, FAMILY SERVICES AND THE RURAL ECONOMY

MONDAY, AUGUST 11, 1986

House of Representatives,
Select Committee on Children, Youth, and Families,
Galesburg, IL.

The committee met, pursuant to notice, at 9:05 a.m., in the conference room, Galesburg Public Library, 40 East Simmons Street, Galesburg, IL, Hon. George Miller, presiding.

Members present: Representatives Miller, Evans, Martinez, and Levin.

Staff present: Ann Rosewater, deputy staff director; Karabelle Pizzigati, professional staff.

Chairman **Miller**. The Select Committee on Children, Youth, and Families will come to order, to begin our hearing this morning entitled "Children and Families in the Midwest: Employment, Family Services and the Rural Economy."

I'm Congressman George Miller, and I'm delighted to be here today along with your Congressman, Lane Evans, who has been a fantastic force in helping the Congress of the United States to set an agenda that will speak to the needs, hopes, desires, and the problems of the American family, during this decade and in the coming decades.

One of the charges of this committee has been to travel around the country and listen to things that perhaps we are doing right in Washington, DC, and some of the things we are absolutely doing wrong and how they impact on the communities where people live.

Also, we've tried to use it as a means to look to local communities that have tried to address various problems that perhaps some of us don't have in our own districts, and to try to take that mosaic and put it together for the benefit of the Congress to see where it is we want to invest our dollars, and where it is that communities that have cared and been concerned for the welfare of their families and the children that live in those families have been able to successfully provide the supports for those families.

This morning we want to hear about unemployment, underemployment, and long-term unemployment, and the toll it has taken on families and how it has affected the services required by those families. We hope to be able to take away from here a much better understanding of this rural community, a community that has gone through substantial economic change, and use that to formulate Federal policies or where necessary and in some cases to perhaps determine that those policies are wrong-headed.

Again I want to thank Congressman Lane Evans for joining this committee. It is a committee where you have to be interested in the subject matter to join. We try to draft people who we think have a certain sensitivity to the needs of children and families. But, they also have to be willing to work because this is everybody's third committee, and we hold an awful lot of meetings, and we've been, I think, one of the more productive select committees in the history of the Congress. So we're proud to have Lane on our committee.

He's also added quite a bit to our agenda, as he's tried to bring to our notice the problems and the concerns of those of you who live in the communities that he represents.

We are also joined by Congressman Martinez who is my colleague from southern California, who has been on the committee and been very helpful.

Congressman Sander Levin from Detroit, MI, who has been on the committee from the beginning, and again he's provided the kind of input that we think has given this committee the reputation that it has.

I would like to now recognize Congressman Evans for any statement he may have.

Lane?

[Opening statement of Chairman George Miller follows:]

OPENING STATEMENT OF HON. GEORGE MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES

I am very pleased to bring the House Select Committee on Children, Youth, and Families to Galesburg.

I am also delighted to join efforts with Lane Evans, whose hard work and commitment to improving the lives of families and children has been so evident during our committee's deliberations.

There are no more serious problems facing the American family than unemployment and under-employment.

Today we will see just how the stress and stigma of job and income loss has affected families in the Quad-City area.

We'll see how rates of delinquency, child abuse, and teen pregnancy have increased, how health conditions have worsened as insurance coverage has been taken away, and how the agencies trying to serve the needs of children, youth, and families have lost personnel and funds. And, we'll see how unemployment and under-employment have hit all kinds of families—families of laborers and managers, as well as farm families.

Three years ago, Congress gave this Committee the job of investigating current conditions and recent trends among children and families.

Part of our obligation has been to get out of Washington, to listen to the real day-to-day needs of families, and to have them tell us in their own words what they and their children are going through. The children and families of America are our expert witnesses.

In our dozens of hearings, including several in the Midwest, we've seen how changes in federal policies, family arrangements, support systems, workplace situations, and in the economy have affected families at all income levels and in all communities. You are not unique in that regard.

Many of us have come to the sad conclusion that, as a result of the increasing pressures brought on by these changes, millions of children and their families are at greater risk of ill-health, under greater stress, and without the supports that have been available in prior years.

The simple truth is that the toll of distress for parents, children, and communities has been devastating, and unacceptably high, due to economic shifts that were not of their doing, or within their ability to control.

I especially want to welcome and thank this morning the families who have taken the time to so courageously come forward and share their experiences, and the service providers and researchers who have been addressing these serious issues.

CHILDREN AND FAMILIES IN THE MIDWEST: EMPLOYMENT, FAMILY SERVICES AND THE RURAL ECONOMY—FOCUS ON ILLINOIS (A FACT SHEET)

Unemployment: A growing problem

In 1985, 94 out of the 102 Illinois counties suffered unemployment rates greater than the national annual average of 7.2%. This represents an increase from 1979, when 44 counties and unemployment rates above the national average of 5.8%. (IL Department of Employment Security [DES], calculated by the Select Committee on Children, Youth, and Families, 1986)

In 1979, 51 counties had unemployment rates greater than the annual state average of 5.5%; this number increased to 82 in 1985, when the state average was 9.0%. (IL DES, calculated by the Select Committee on Children, Youth, and Families, 1986)

In the region encompassing Muscatine and Scott counties in Iowa, and Henry, Mercer, and Rock Island counties in Illinois, the number of civilian laborers dropped from 187,950 in 1979, to 173,850 in 1985, with unemployment climbing from 4.4% in 1979 to 11.2% in 1985. For example, agricultural implement manufacturers employed 29,800 persons in 1979, but only 15,200 in 1985, a 48.99% decline. (Bi-State Metropolitan Planning Commission, Rock Island, IL, 1986)

Illinois farm income depressed, number of farms declining

In 1974, there were 111,049 farms in Illinois. In 1982, there were 98,483. (U.S. Bureau of the Census, 1986)

Of the 10,500 Illinois farmers who borrowed from the FmHA, about 1,400 received debt notices indicating overdue payments in February, 1986. (Farmers Home Administration, 1986)

The average net farm income in Illinois was $24,403 in 1975. In 1982 it dropped dramatically, to $−1,751, then increased to $9,035 in 1985, the highest it has been since 1979. (IL Cooperative Crop Reporting Service [CCRS], 1986)

In 1983, the average net farm income in western Illinois was $−10,892. The average for eastern Illinois was $19,802. This disparity was slightly reduced in 1985, when the western averge increased to $3,188 and the eastern average decreased to $18,930. (IL CCRS, 1986)

Farms in the western and northwestern regions of Illinois had the highest debt-to-asset ratios in the state, the west showing an average debt-to-asset ratio of 35.1% per farm, and the northwest showing an average of 34.9% per farm. The overall state average was 30.8% (Midwest 1986 Farm Finance Report, complied by Wisconsin Agricultural Reporting Service)

More young children in Illinois confronting greater poverty, health, education risks

Since 1980, there has been a steady increase in the number of children under age five in Illinois, while the total number of children and yount in Illinois declined between 1970 and 1984. (M. Testa, E. Lawlor, "The State of the Child: 1985," The Chapin Hall Center for Children, University of Chicago)

One out of every five children in Illinois lived in families with cash incomes below the poverty line in the early 1980's, the highest state child poverty rate in 25 years. ("The State of the Child: 1985")

Despite a constant decrease in the school-age population, 79 out of the 102 counties in Illinois showed an increase in the number of free school lunches served between 1982 and 1985, and 59 counties showed an increase in the number of reduced-price lunches. Of those 79 counties showing an increase in free lunches served, 31 showed a correlating decrease in reduced-price lunches served. (IL State Board of Education, calculated by the Select Committee on Children, Youth, and Families, 1986)

In 1983, Illinois had the ninth highest infant mortality rate in the nation—12.4 infant deaths per thousand live births, compared with the national rate of 11.2. (Children's Defense Fund [CDF], "Maternal and Child Health Data Book: The Health of America's Children," 1986)

In 1984, there were more than 67,000 reports of child abuse in Illinois, and increase from 1982. (Highlights of Official Child Neglect and Abuse Reporting, 1984)

During the 1983-1984 school year, 28,532 secondary students dropped out of school, an increase from 27,949 in 1982-1983 school year. ("The State of the Child: 1985")

While many Illinois mothers in work force, child care reduced

In 1985, 43% of all Illinois women with children under age 6, and 63% of mothers with children ages 6 to 17 worked outside the home. (CDF, "Child Care: Whose Priority?," 1985)

In 1981, $55,966,100 in state and Federal social services block grant funds were dedicated to child care for low-income children, providing services for 28,100 children. In 1985 the amount declined to $41,160,000, providing services for 17,198 children. (CDF, 1985)

Out-of-home placements for Illinois children rise, but vary across State

6,127 Illinois children (17.2 per 10,000 children) were placed out of their homes in 1983, an increase since 1981. ("State of the Child: 1985")

For children under age 20 not living in the metropolitan Chicago area, the 1980 rate of placement into publicly supported out-of-home care was 24.5 per 10,000 kids, twice the metropolitan Chicago rate of 12.1. ("The State of the Child: 1985")

Of children living outside the Chicago area, those under the age of five were the most likely to experience an out-of-home placement, with a 1980 rate of 33.8 per 10,000 children. ("The State of the Child: 1985")

One in three children in out-of-home placements who were returned by the state to their parents experience a repeat episode of placement in either institutional or foster care. Outside of Cook County (Chicago), of the 3,594 children placed in foster care in 1982, 68% were returned to their homes. Of those returned home, 24.8% (605 children) experienced a second placement outside of the home. ("The State of the Child: 1985")

Mr. EVANS. I thank you, Mr. Chairman.

I want to thank everyone for coming to this hearing. I regret the inconvenience of having to postpone and reschedule this hearing several times, which was the last time due to unforeseen developments in the congressional consideration of the budget resolution, and I appreciate that many of the witnesses invited to testify at the earlier hearings have changed their schedules in order to be with us today.

I am particularly grateful for Congressman George Miller, the chairman of the committee, for honoring my request for a field hearing in west central Illinois. Congressman Miller has chaired the committee since it began 4 years ago, and he has a well-earned reputation as a leading advocate in Congress for Federal policies that keep our families strong. He has just flown in on the red eye from California and I suppose leaving about midnight their time.

Chairman MILLER. It can stretch the patience of your family.

Mr. EVANS. And just flew in from Chicago on Brent Airways, so I appreciate the additional effort involved in doing that.

I am pleased to be joined by two colleagues of my class. When we say that, we mean the people that entered the same year that I did. Congressman Marty Martinez is a fellow former marine with me. We served for a period of time on the Veterans' Affairs Committee. He has been, as a Korea-era veteran, a strong advocate not only for Korean-era veterans, but also on Vietnam-era veterans and we are pleased that he could join us.

Marty, as Chairman Miller indicated, is also from California and is the subcommittee chairman for employment opportunities of the

House Education and Labor Committee, so we are really pleased to have him hear about our situation here.

Sander Levin is from Michigan, and is also a member of my class and when we were first elected, chaired a task force of new members on unemployment, and his efforts really led to a jobs fair which has helped my district to a great degree. We need some more of those kinds of jobs bills, but Sander is also from a State that has suffered very high unemployment, and we appreciate your coming in to hear from our people here.

Mr. LEVIN. Glad to be here.

Mr. EVANS. I just want to make a few brief comments before the witnesses are heard. Despite the so-called national recovery, we still have a national unemployment rate of nearly 7 percent. This would have been considered intolerable only a few years ago, but now, however, it's somehow considered acceptable.

Our local unemployment rate is at least twice the national level, and as everyone knows, these official figures severely understate our local problem. If we count those who've exhausted their benefits, stopped looking for work, or are working only part time, our local rate is probably twice as high again.

But as important as these numbers are, they are only numbers. There are real people behind these statistics, millions of Americans who are members of our churches and communities. They are our neighbors, our families and friends. And as long as we talk about unemployment just merely as statistics, the problem is easy to dismiss. But when we put faces on those numbers, when we talk about the real impact on the children and the family, then we confront a national problem that is too chilling and too important to ignore. But the Federal Government is failing the jobless and their families.

It is simply ignoring the impact of unemployment on our Nation. For example, this year, America has become the world's largest debtor Nation with foreign interests only $107 billion more in the United States than Americans own overseas. As recently as 1982, America was the world's largest creditor Nation. And we haven't been a debtor Nation since 1914.

This is the result of a huge Federal deficit caused by tax cuts for huge corporations and extremely wealthy millionaires and a doubling in military spending over the last 5 years. It also reflects our huge trade deficits which have set record levels for 4 straight years and are costing our Nation millions of jobs.

We need to get back to some common sense priorities. It's time to stop squandering our resources on an unabated arms race and to start investing in our own citizens. Our Government should start addressing the real problems facing our people right here at home.

Before we get started, I want to offer a special thank you to our witnesses, the children, the mothers and fathers whom we'll hear from today are courageous individuals. Not only have they struggled with unemployment and its devastating impact on their families, but they have volunteered to share that experience and their personal stories with this committee.

That takes real guts in my opinion. So we're grateful for the witnesses who have studied also the impact of the unemployment on the families and for the witnesses who are working to help those families cope. Many of them are running important local programs which deserve the Federal Government's support.

The best profamily policy for our Nation is to put Americans back to work. If we allow the farm crisis and unemployment crisis to continue, we will jeopardize millions of families that are the backbone of this country. We must learn from the experiences of those who testify today, and take their message back to Washington.

Because the future of our families and our children is our future as a nation, it's the only one we've got, so we'd better make it work.

Thank you all very much for coming.

Thank you, Mr. Chairman.

Chairman **MILLER**. Thank you.

Ordinarily we would have opening remarks by other members of the committee, but we're going to suspend with that this morning, because as you've been informed, we're on a very tight schedule. We have to be out of here at 11:30 to make our hookup to get back to Washington.

So we're going to begin immediately with the first panel. We're going to begin with Tracy Van Wynsberghe, Leo Collinson, Steve Mullen, Arthur Young, Cheryl and Brad Arnett who will be accompanied by Kim Kilbourn, and Ken Search.

Welcome to the committee. We appreciate your taking time to give us the benefits of your thoughts and experience, and for those of you who are going to discuss your personal experiences, I want to reiterate what Congressman Evans has said, it takes a great deal of courage and we appreciate your doing that.

Your entire statement will be placed in the printed record of this meeting in its entirety. Proceed in the manner in which you're most comfortable. This is a very relaxed committee; this is not high pressured stuff. Because we deal with so many children and so many families, we try to make you feel comfortable.

So Tracy, we're going to begin with you.

STATEMENT OF TRACY VAN WYNSBERGHE, STUDENT, AGE 16, GENESEO, IL

Ms. **VAN WYNSBERGHE**. Hello. My name is Tracy Van Wynsberghe, and I'm here to talk about unemployment and the effect that its had on my family and many other families in the area in which I live. It has caused many persons to leave the communities they have lived in for many years.

It has caused much grief for the children who have to leave friends, other family members, and schools which they have attended for some time. It has also caused much worry; worry about where the next meal will be coming; worry about what will happen to the family.

My father was unemployed for close to 1 year but now he works. Luckily, my family can still buy things we need but there are many who can't.

My father is presently employed on a farm, but he is not sure just how long this will last. Because of many farmers going bankrupt the past 2 years in our area, the banks have had to change their methods of loaning money. Thus, the farmers have had to change their operating practices.

My mother is a manager for a bookstore, and while the money she makes is a great help, it would not be enough to survive on. This makes it hard for my family to make any plans for the future.

My father has been looking for other jobs but with so many plants closing in our area, there are few jobs to be had. Many jobs require special training but this would mean going back to school. Unfortunately, that would take extra money that we cannot afford at this time.

Unemployment is not only affecting the adults of this area; it also affects the young who are looking for jobs. I speak from experience. I have filled out several applications for jobs and I was never called. I don't expect to be called just because I applied, but due to the fact that there are few jobs, all the young in my community are fighting for the same jobs. Also fighting for the jobs are adults. The young may very well fall second choice.

My high school, J.D. Darnall, is one way for students to get jobs. We have a co-op program in which the teachers will try to get a job for students in this program. The program is suffering some. I talked to one of the teachers involved with this program and she told me that as of right now, there is a slight problem, nothing major. The employment for students has gone down 1.5 percent and she said it is still falling.

Eventually, there will be a big problem. Some places of employment have kept their jobs for adults that have to support a family. But where will we get our experience? We need jobs for experience. I am lucky. I did get a job through the program that will be starting soon. But I have friends in school who have not yet got one and may never get one. What are they to do?

Last, I would like to talk about the threat of moving in my family. My mother and father have considered moving to a different State to start over. This is quite a thing for myself and my younger brother and sister to think about. We have friends, family and school, and other things we would like to stay near. I am a senior and I would like to graduate from Geneseo High School where I have been for 3 years. If we have to move, I have to make new friends for 1 year, go to a new school for 1 year, and make new plans for college.

The threat of moving is a real one and a very scary one. I wish it weren't there. I don't want to make new plans for my future but if my father doesn't find a well-paying job soon, that is what I, and possibly many other young adults, will have to do.

Thank you.

[Prepared statement of Tracy Van Wynsberghe follows:]

PREPARED STATEMENT OF TRACY VAN WYNSBERGHE

Hello, my name is Tracy Van Wynsberghe and I am here to talk about unemployment and the effect it has on my family and many other families in the area in which I live. It has caused many persons to leave the communities they have lived in for many years. It has caused much grief for the young who have to leave friends, other family members, and schools which they have attended for some time. It has also caused much worry, worry about where the next meal will be coming, and worry about what will happen to the family. My father was unemployed for close to a year, but now he works. Luckly, my family can still buy things we need, but there are many who can't.

My father is presently employed on a farm, but he is not sure just how long this will last. Because of so many farmers going bankrupt the past two years in our area, the banks have had to change their methods of loaning money. Thus, the farmers have had to change their operating practices. My mother is a manager for a book store and while the money she makes is a great help, it would not be enough to survive on. This makes it hard for my family to make any plans for the future. My father has been looking for other jobs, but with so many plants closing in our area, there are few jobs to be had. Many jobs require special training, but this would mean going back to school. Unfortunately, that would take extra money we cannot afford to spend at this time.

Unemployment is not only effecting the adults of this area, it also effects the young who are looking for jobs. I speak from experience. I have filled out several applications for jobs and I never was called. I don't expect to be called just because I applied, but due to the fact that there few jobs, all the young in my community are fighting for the same jobs. Also fighting for the jobs are adults. The young may very well fall second choice. My high school, J.D. Darnall, is one way students to get jobs. We have a co-op program in which the teachers will try to get a job for the students in this program. The program is suffering some. I talked to one of the teachers involved with this program and she told me that as of right now, there is a slight problem, nothing major. The employment for students has gone down 1.5% and she said it is still falling. Eventually there will be a big problem. Some places of employment have kept their jobs for adults that have to support a family. But where will we get our experience? We need jobs for experience. I am lucky, I did get a job through the program that will be starting soon, but I have friends in school who have not yet got one and may never get one. What are they to do?

Lastly, I would like to talk about the threat of moving in my family. My mother and father have considered moving to a different state to start over. This is quite a thing for myself and my younger brother and sister to think about. We have friends, family, school, and other things we would like to stay near. I am a senior and I would like to graduate from Geneseo High School where I have been for three years. If we have to move I have to make new friends for a year, go to a new school for one year, and make new plans for college. The threat of moving is a real one, and a very scary one. I wish it wasn't there. But if my father does'nt find a well paying job soon, that is what I, and possibly many other young adults, will have to do.

Chairman MILLER. Thank you very much, Tracy.

Leo, we'll hear from you and all the members of the panel, and then we'll allow the members to ask questions.

STATEMENT OF LEO A. COLLINSON, PARENT, GALVA, IL

Mr. COLLINSON. Ladies and gentlemen, thank you for asking me to speak today on behalf of the thousands of unemployed and underemployed workers of northwestern Illinois. Using myself and my family as an example, I would like to tell how we are trying to cope during these trying times.

I was a machinist at International Harvester Farmall Works for 20 years. I had an excellent work record, winning awards in the areas of safety and quality workmanship. My weekly pay was approximately $510. After deductions for life insurance, stocks, United Way, savings bonds, Federal tax, Social Security tax and State tax, my take-home pay was approximately $375. With this income my family was able to live what we felt was a good life as a middle-income family.

In July 1984, I was layed off from International Harvester at which time I signed up for unemployment. I received $208 per week for a family of four. During this time, I fulfilled the State unemployment laws by looking for work and reporting to job service. I filled my time by continuing to help in a local food pantry of which I had been a director since March 1984, and other community projects as well as what part-time work I could find.

Thinking I would be returning to work at International Harvester the first of October, I was not concerned about the falling International Harvester stock or rumors of company takeovers by the Japanese. The plant had just put in new machines and was going to place a new tractor on the market. The farm economy was down but we had always had a good product and we had seen recessions before.

Four weeks after I was layed off, I received a letter from International Harvester telling me that I was on indefinite layoff and to turn in all company property, gate passes, et cetera, and remove all personal tools from the property. The International Harvester Farmall plant was closing.

This was the first time I really felt the depression of the 1980's. I had seen the frustrations of others that had lost their jobs. Now, I knew what it was like to feel unwanted and not to be needed in the job market.

I thought my life was pretty secure; that I would spend all my working years at International Harvester making a good living with a good pension that would make my retirement years comfortable. I was about to see all these plans and security come to an end.

I proceeded to look for work with more desperation. I was still finding some part-time work, including schoolbus driving at $11 a trip. But I had to have something more permanent.

After several months of rejections and promises of maybe later they would be hiring, I entered a JPTA program for the testing and possible retraining. Through this program, I regained a little of my self-confidence. It had been 20 years since I'd looked for a job. JPTA helped me with a résumé; told me what to expect on interviews.

My testing showed that I had ability in several areas. But how could I return to school, and still support my family?

Time passed and I still had not found full-time employment. My 26 weeks of unemployment was gone; my Federal extension was nearly over. At this point I felt fear, the fear that I was going to have to submit to the harassment of going to the government agencies for ADC and food stamps, et cetera. To have to take something for nothing; to have to do this would be a blow to my pride and a loss of my dignity, something I'm not sure I could bear.

Just when all hope was about gone, Kewanee Job Service called me and asked me to report for a job interview. With my hands wet with perspiration and my heart pounding, I responded immediately, and was sent to Kewanee Boiler Corp.

I was hired as a shear operator, a machine I had previously run. The work was hard, but to be a working, contributing member of society again was a feeling impossible to describe. With my take-home pay of $295 a week plus my wife's salary of $160 a week as a school secretary, my life returned to near normal.

However, as I neared 90 days of work, I started hearing rumors of an approaching layoff. Through work in the food pantry, I had seen many families on ADC and food stamps get jobs. I saw their joy and knew their feelings of self-worth to be working and earning their own money.

But all too often, after they had used up their government wage subsidy of 90 days, they were layed off and in many cases replaced by other workers. They then find it necessary to return to the ADC and food stamps. This creates a terrible low and brings about many family problems.

I wondered if I was going to find myself in this same situation. When I was layed off from the boiler factory, I was ineligible to draw unemployment. This meant living on what we had managed to put aside while I was working. Shortly after I was layed off, I went to work for Leland Pearson in Galva, building a new plant. Wages were lower than I had received previously, but the thought of being in on the beginning of a new company that would employ possibly 35 workers was truly exciting.

With the building partially done by Thanksgiving, we had run out of funds and good weather. I was again unemployed. On behalf of Mr. Pearson, I tried to get a small business Federal loan so work on the plant could continue. As of this date, we've gotten nowhere.

On December 12, 1985, I was hired as a janitor at the Galva High School at less than $200 a week. My wife and myself find ourselves as part of the underemployed. We take each day one at a time; each bill as they come; and watch as our IRA, savings, and investments disappear.

We have had to give up many former pleasures and comforts, no longer subscribe to a newspaper or magazines, and dropped our insurance coverage to a minimum. I am no longer able to buy my wife gifts or flowers for special occasions, something I enjoyed doing. Our children have had to make sacrifices and both must work while they are going to school to help meet their college expenses.

Hardly a week goes by that my wife and I don't discuss selling our home to help with our children's education and to pay off our debts. I look at our present economy and I can see the loss of our American way as I know it. No more middle-income families; no more moving up in the world. Only the have's and the have-not's. It is truly sad to see this great Nation fall into the hands of the rich, the powerful, and the greedy.

Thank you.

[Prepared statement of Leo Collinson follows:]

PREPARED STATEMENT OF LEO COLLINSON

Ladies and Gentlemen,

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Four weeks after I was layed off I received a letter from International Harvester telling me that I was on indefinite lay off and to turn in all company property, gate passes, etc. and remove all my personal tools from the property. The International Harvester Farmall Plant was closing. This was the first time I really felt the depression of the 80's.

I had seen the frustrations of others that had lost their jobs. Now I knew what it was like to feel unwanted and not be needed in the job market.

I had thought my life was pretty secure, that I would spend all my working years at International Harvester making a good living with a good pension that would make my retirement years comfortable. I was about to see all these plans and the security come to an end.

I proceeded to look for work with more desperation. I was still finding some part-time work including school bus driving at $11.00 a trip, but had to have something more permanent.

After several months of rejections and promises of maybe later they would be hiring; I entered the JPTA program for testing and possible retraining. Through this program I regained a little of my self-confidence. It had been 20 years since I had looked for a job. JPTA helped me with a resume and told me what to expect during interviews. My testing showed that I had ability in several areas, but how could I return to school and still support my family.

Time passed and I still had not found full-time employment. My 26 weeks of unemployment was gone and my federal extension was nearly over. At this point I felt fear -- the fear that I was going to have to submit to the harassment of going to the government agencies for ADC, food stamps, etc. to have to take something for nothing. To have to do this would be a blow to my pride and a loss of dignity, something I'm not sure I could bear.

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However, as I neared 90 days of work I started to hear rumors of an approaching lay off. Through work in the food pantry I had seen many families on ADC and food stamps get jobs. I saw their joy and knew their feeling of self-worth to be working and earning their own money. But all to often after they had used up their government wage subsidy of 90 days they were layed off and in many cases replaced by other workers. They then find it necessary to return to ADC and food stamps. This creates a terrible low and brings about many family problems. I wondered if I was going to find myself in this same situation.

When I was layed off from the Boiler Factory I was ineligible to draw unemployment. This meant living on what we had managed to put aside while I was working. Shortly after I was layed off I went to work for Leland Pearson in Galva helping build a new plant. Wages were lower than I had received previously but the thought of being in on the beginning of a new company that would employee possibly 35 workers was truly exciting. With the building partially done by Thanksgiving we had run out of funds and good weather. I was again unemployed. On behalf of Mr. Pearson I tried to help get a small business federal loan so work on this plant could continue. As of this date we have gotten no where.

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Hardly a week goes by that my wife and I don't discuss selling our home to help with our children's education and pay off our debts.

I look at our present economy and I can see the loss of our American way as I now know it. No more middle income families, no more moving up in the world, only the have and the have nots. It is truly sad to see our great nation fall into the hands of the rich, the powerful and the greedy.

Thank you.

Leo A. Collinson
3 N. E. 8th Ave.
Galva, IL 61434
309-932-2978

Chairman **Miller**. Thank you very much. Steve.

STATEMENT OF STEVE MULLEN, PARENT, ORION, IL

Mr. **Mullen**. My name is Steve Mullen. I'm 35 years old, married to my wife, Lori, who is 34. We have three children, twins, Brooke and Stephen, age 11, and a younger son, Lon, age 6. We live on a farm that we now cash rent.

I am a former employee of International Farmall plant in Rock Island. I started working there in November 1973. In February 1975, we rented an 80-acre farm on a 50-50 basis from a retired couple.

I was born and raised on a farm and so was my wife. We didn't have to buy a lot of machinery at that time because my father-in-law farmed right next door. We traded help and machinery.

In 1978, we added another 132 acres that we custom farmed. In 1979, we also cash rented a farm of 190 acres across the road that had 70 acres of pasture on it. We started a cow herd at that time; we expanded our machinery line somewhat at that time. We had planned our living expenses would come from the job at Farmall. I was making better than $20,000 at the shop at that time.

The farm was supposed to take care of itself for a couple of years. The worst part was we had a 7-month strike so we had to take some money out of the farm to live on. After the strike was over in May 1980, we never did work another full year. A lot of layoffs and finally permanent in September 1982 for me. At the same time interest rates on the farm climbed from 9 percent in 1979 to 17 percent in 1982. That was killing us.

Also, in 1982, the farm we custom farmed we lost and my landlord that we farmed 50-50 with, died. His widow wanted us to stay on the farm but wanted cash rent. That put us with two cash rent farms and no job.

In 1983, we were hit with dry weather and only half the crop we normally would have had. The cash rent and expenses took all the money. In 1984, it wasn't much better except I started working for a fertilizer company at $5.50 an hour.

Another dry year for us was 1985. Corn was 80 to 90 bushels an acre and soybeans were around 40. The price was lower because our area was one of the few dry areas and the total crop was larger.

The last 2 years, my wife started working part time. The children stay by themselves, although their grandparents, aunts, and uncles are close by. Between my wife and I, we still do not make what I used to make at Farmall 7 years ago. We can no longer afford insurance to protect ourselves like we used to. It seems like if anything breaks down, there is no money to fix it. It just ends up as another bill over our heads.

We keep the kids active in 4-H; the county fair was our vacation.

The children have grown up quite a bit in the last few years. They've learned how to cook and clean up.

The future doesn't look much, if anything else, better promising. Interest rates and some expenses have eased some, but commodity prices have also eased considerably more. The farm programs are in such doubt, we don't know what we will plant next year. We need to know so we can arrange our rents and make cash-flows for our lenders for next year.

The farm's been a good place to raise kids but it's foolish to encourage them to stay.

[The prepared statement of Steve Mullen follows:]

PREPARED STATEMENT OF STEVE MULLEN, ORION, IL

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Chairman MILLER. Thank you. Arthur.

STATEMENT OF ARTHUR YOUNG, PARENT, MILAN, IL

Mr. YOUNG. My name is Arthur Young. I'm from the Quad City area. I was born in North Carolina, grew up and had my secondary education there. I finished high school, joined the Navy. After completing 4 years in the Navy, I went to school, I completed school. I graduated from North Carolina Agricultural and Technical State University in Greensboro, NC.

I'm married and have a son 21 years old. I was recruited out of college to work for John Deere in the industrial equipment division. We went through several cycles of ups and downs back in 1969 and 1970, again around 1979, and we thought that things were going to smooth out and everything would eventually become stable.

In the begining of the 1980's, we started a continuous downslide. We found that in 1981 there was a substantial layoff, but at that particular time, the company layed off the salaried workers, which I am one of, by seniority. In 1984, they required another substantial termination, and this time they chose to do it by what they call grade levels, and so I found myself unemployed after 17 years of continuous employment with Deere.

Since I had training and education, I was offered a job to teach at Rock Island High School. They gave me a job at four-fifths which is not what you would call full-time employment. I took that job last year, and due to the movement of students from the area in many cases, and also increased State requirements on students for graduating and especially those entering college, we are finding in shop areas of which I teach electronics, we're finding that many students don't have the time for electives and there are smaller student enrollment which causes the number of students that I have to teach to go down.

This particular year, they have offered me three-fifths of the first semester and two-fifths for the second semester, which is less than 50 percent. So, I'm back in the unemployment market and one of the things I've found going through this, I've listened to Mr. Evans talk about the unemployment situation as being one of persons and not just statistics, and from the outside looking in, we tend to view this as people, at least I did, as a statistical problem and it did not have a personality to it.

But when it happens to you, the thing hits home; it's no longer just statistics, now; it's you. And it doesn't just affect you. It has a tremendous impact on those around you; your wife, your kids, and your community peers. People will approach you when you are unemployed and they are very awkward in how to even walk up and deal with you, talk to you. They tend to shy away because they are afraid that if they say something that's going to offend you or whatever it is, so you find that your friendships are affected, your family's financial situations are affected, and it becomes quite a stress on you.

However, I was blessed with the fact that I had strong religious beliefs and when this particular problem came up, I found those around me who did not have strong religious beliefs were very much depressed by what was going on, and their anxieties and their frustrations were extremely vocal. But I found that through my trust in God, I was able to weather this much better than many people.

However, it does not relieve me of the stress either because I have to interrelate with my wife and my other peers who don't necessarily share the same faith or strength of faith that I have. So, it is very difficult for us.

However, it entails making quite a substantial amount of adjustments, just like the young man said over here earlier, that you end up cutting out everything that's not essential. Medical insurance is way down; Deere had a much better insurance protection plan than they have with the school system. Many of the protections insurancewise that I had prior, are no longer with me.

However, you end up with other costs. In my situation, after 17 years in industry, coming back into the school system required retraining. Now, I had the burden of trying to teach at the same time going to school to retrain so that I would have updated information to teach. So I was going to night school.

And at first, dislocated workers took care of the first semester that I started back; however, once you gain employment, dislocated workers drop out of the picture so the cost of retraining is your responsibility. So I find myself having to take my four-fifths of salary which was already one-third of what I was making prior, and having to pay costs of reeducation, retraining out of that. And to give you some idea of what retraining can cost you out of your pocket, this summer, I also had to go to summer school.

I had to take one course. I took a course at Augustanna. It cost $132 per semester hour and this was a 4-hour course; $500 out of my pocket for one course. And so when you start having to put out that kind of money with a reduced income, it becomes quite taxing to your funds.

But I'm going to continue to look for employment and try and stay in the area, if it's possible. However, if it does not work out, I'll have to look for employment other places. Thank you.

[Prepared statement of Arthur Young follows:]

PREPARED STATEMENT OF ARTHUR YOUNG, MILAN, IL

My name is Arthur Young and I am 47 years of age. I am married and have a son who is 21 and a college student at North Carolina A & T University. I came to the Quad Cities's area and Rock Island in 1968 right out of college. I started with John Deere, working in the industrial engineering department. I had a string of 16 straight years with the company and held a supervisory position. I made it through several periods of slow work. There were layoffs in 1969, and 1970 through 1972 were pretty bad years. We started having problems with employment again in about 1980-81, and I was terminated in 1984.

The agricultural situation naturally goes in cycles, but the problem has gotten progressively worse in the last 5-6 years. In other parts of the country there have been ups and downs in the economy. In this area, there have only been downs because almost all of the work has been so related to agriculture.

In my case, when I was terminated because of the lack of need for the type of work I did, there weren't any other opportunities for employment in my field because the competition in the area had the same problems. All the industry was so closely tied to agriculture.

Unemployment placed great stress on me and my family. It is a type of stigma on you and your family when you have been fired. People in your area think that you have done something wrong, and there's a certain amount of blaming the worker who has been laid off. The whole family senses and feels this.

Unemployment also means great family stress. It destabilizes the home situation. The family looks to you for family support. Your wife may work, but you are regarded as providing the basic support. My situation caused lots of stress between me and my wife. We both have a strong faith that helped us, but it didn't eliminate the problems. I know lots of other families who are having very difficult times because of the unemployment situation.

It has also been more difficult for older workers, such as myself and many others. Many of those laid off have been the older, more senior workers. The industries are not just letting people go across the board; they are getting rid of the older, more senior and higher salaried workers to make way for those whom they can pay less. This is a serious hardship for the middle and upper age worker who will have a much more difficult time finding new employment.

I have been able to find employment as a vocational education teacher, but even that situation is somewhat uncertain. This past year I taught four-fifths of a full schedule, and next year I am scheduled for three-fifths time the first semester and two-fifths the second semester. The are several reasons for the shrinking schedule. There are increasing requirements that students must meet for graduation. Consequently, they have less opportunity and less time to spend on elective courses. In addition, overall unemployment in the area has had an impact on the population and reduced student enrollment generally.

I have wanted to stay in the area because of my family and church ties. I am now retraining in order to move into an field of work with better opportunities. I have been going back to school to get my teaching certification along with advanced training in electronics. This offers some promise for a more secure employment situation for me in the teaching or engineering professions. At the same time, it has been very difficult to hold down a job, get intensive retraining and have time for my family. Actually, it means that there is very little time that I have to spend with my family.

Going back to school and retraining are expenses that we can hardly afford, but we must do it. For one semester, I was able to take a course under the dislocated worker program. But, because I now have some employment, I pay for my courses out of a salary of $13,000, which is barely one-third the amount I was able make before. The course that I am presently enrolled in costs $132 per semester hour, and it is a four-hour course. That amounts to $500 per course for me to accomplish sufficient retraining.

It's hard for anyone to understand the impact of unemployment if they've never experienced it. I hope this testimony provides some picture of the serious problems facing so many of the individauls and families in this area because of unemployment.

Chairman **Miller**. Thank you. Cheryl and Brad.

STATEMENT OF BRAD AND CHERYL ARNETT, PARENTS, PEORIA, IL, ACCOMPANIED BY KIM KILBOURN, M.S.W., PEORIA, IL

Mr. **Arnett**. My name's Brad Arnett, and I'd like to tell you about me and my family and what the economy in the Peoria area is doing to us as a family.

It is ruining our lives. The day-to-day pressures of simple existence are sometimes too much to cope with. We sometimes constantly fight and argue over things that are simple and stupid. We don't have money to do things we would like to do, sometimes we don't have money for things we need.

We're both working for wages so low we find ourselves borrowing money from week to week just to exist. What would happen if we couldn't borrow money? We would fight over something we really have no control over. The feeling of uselessness and emptiness you get from being broke is very hard to talk about to people who may not understand how it is to be in this position.

I can only tell you the feeling is pure hell and we pray to God that someday soon, it will get better. I'm not afraid to work and neither is my wife. I'd do almost anything to make a buck and fight like hell to keep it. I hate facing total disappointment day after day. I find it very hard to cope with underemployment and I find it very hard to understand why I am underemployed, underpaid and not even insured in any way, shape or form.

If we have sickness in our family, we cannot afford to go to the doctors like we should, so we call the doctors and try to explain the symptoms over the phone and just pray and hope we get the right medicine. What a life. It's like taking a ride on the scariest rollercoaster in town and never being able to get off the ride.

Not to speak of the fear we have driving our own car because we cannot afford car insurance. In Illinois, if you get in a wreck and don't have insurance, you just have to pay for the wreck yourself. If you can't pay for the wreck, you lose your license and if we should happen to lose our license over an accident like this, we would have no possible way of going to work or even to the store, for that matter.

I could go on and on with my problems. I just find them hard to deal with and talk about. I feel the Government needs to step in and say the hell with the problems in foreign countries and recognize the problems and poverty right here in the good old U.S.A. I think this committee needs to step in and investigate the company I work for and all other companies that are Federal or State funded and find out exactly what kind of benefits, wages, hours and treatment the laborers of these companies are receiving.

I feel the Federal and State funded businesses should be forced by and funded by the Government to make sure these businesses are taking care of their employees. I feel the town of Peoria has, as other Illinois towns, inflated their costs and prices of living to a scale far greater than the average wage-earner's paycheck.

I feel in some way the Government should increase salaries for a family's major wage earner, or decrease costs prices or just plain expenses to a scale in which a person can manage and live, and even put money in the bank for an unfamiliar phrase called a vacation.

It's a sad but true fact when foreign immigrants can reach and obtain the American dream before even just one American in the U.S.A. I have nothing against immigrants but I have always been raised to take care of my own family, first, and help others to seek the same thing.

Somewhere down the line, the Government forgot about its own and started helping others, first. This is really hard to deal with and equally hard to swallow. I feel we are a great nation and we have the power to become greater; we just have to take care of our own, first, and then take care of others.

I feel we need more apprenticeship programs, more jobs than workers, higher wages, more Government control over businesses not treating their employees fairly, stiffer fair labor laws for businesses to follow, and I definitely feel we need more organizations like Children and Family Services and more funding to keep these organizations in existence, because the CFS kept my family together.

Without CFS, I'm afraid something may have happened to my family that would have been irreversible and possibly have been fatal. I also feel really dumbfounded when I can work a 30- to 40-hour workweek and still receive food stamps with my wife also working 30 to 40 hours.

Somewhere there is no justice in that, and I feel companies in Peoria are threatened and often close their doors whenever employees put pressure on the companies for better wages and working conditions. Then the companies either pull up roots and move their business and jobs to other States or sometimes they just reopen in another name.

There should be laws against this; we've got to draw the line somewhere. Let's start this investigation and new laws right here where I'm working.

As a result in my organizing the workers in my company to join a union, the company has rewarded me by reducing my hours from 30 to 35 hours a week, to 10 to 15 hours a week. There should be fair labor laws to stop this type of treatment. All I'm doing is exercising my constitutional right to organize a group of people to join a union.

Tell me why I'm being punished. Thank you.

[Prepared statement of Brad and Cheryl Arnett follows:]

PREPARED STATEMENT OF BRAD AND CHERYL ARNETT, PEORIA, IL

(1)

Got Married in 1979 I was working at Fleming
Potter Inc. Cheryl was working at Lakeview
12-13-80 I lost my job at Fleming-Potter
I was asked to take voluntary days off by
the Union and fired for taking to many days by
the Co. Since then I have gone from
job to job none of it steady work.
1-81 → I worked at Village Square gas station as a
mechanic. station closed 4-82 unemployed
til 10-82 When we moved to New Mexico
Cheryl worked in a Sea food restaurant the Shark
I got a job at Circle K as a cashier I moved
up to assistant manager. 6-83 we moved
back to Peoria. 7-83 Got a part time job
Black topping 10-83 got laid off no
unemployment for me. Cheryl started working at
the Ivy club. 6-83 she is still working
their she gets laid off around Dec.-Feb
than goes back in the spring. I am curr
ly working 2 jobs. 11-84 Started working
at the Civic center. I took 3 mos. off
so I could train to be a semi driver
I passed up a better job at the Civic
Center to train on the semi. I had to
clear the training offered to me by Bec.
Eads through his boss Dave Rissinger.
Dave agreed to let me train and said

If I did good he might give me a job with his Co. Naturally I worked my rear off because this is the oppurtunity I have been waiting for all of my life. Buck & Dave both stated the training period would take 2 weeks. Well 2 weeks passed than 2 more than 2 mo. than 2 more until finally at the end of 3 months I said hey are you gonna let me drive or what. I got to drive approx. 1hr. 1/2 in 3 mos. Big deal. I went to Dave and told him how I was becoming financially strapped but I wanted to be trained and get a fair shot at the job he was talking about. He said call me when the snows off the ground, I did he than said he was to busy than he was not busy enough. I think you get the picture. So I gave up on my dream went back to the Civic Center and tried to Pursue anoth job in between watching our 3 girls and cleaning up after them. Its been hard we fight and argue all the time about money problems. Some of our fights have been a lot worse than what I care to admit. All this unemployment and under employment has caused

a lot of grief for Me, Cheryl, and the girls.
1-86 I finally got another Part time job I am
now working at Door to Door Inc. and
the Peoria Civic Center. With Cheryl work-
ing 1 job and me Working 2 we still
have money problems so we still have
arguments not as bad as when I'm
un-employed but they are arguments.
If it wouldn't have been for CFS and
Kim Killbourne I would have Kissed my
wife and Kids good bye. Because I am
so angry, frustrated, and confused about
our present economy and cost of living
I could Kill some one If I thought
It would help get me a Good paying
job, Good enough my wife wouldn't have
to work. Good enough we could drive
2 nice cars, have a nice home, buy new
clothes for ourselves and our Kids, be
able to buy car insurance, life insurance
pay hospital bills, and Dr. Bills, save mone
for Kids college may be even blow a
couple of Bucks on fun and entertainment
I better stop because I could go on and
on with this Kind of talk. Who am I
trying to Kid I live in Peoria Ill.
In Peoria you have to have 1-3 yrs.
verifiable experience just to get a job and

dishwasher. My question to Peoria area is how do you get a job that require experience when you cant find anyone to train you and Keep you on as an Employee for at least a year to 3. I want to be a semi driver preferably in this state my home town. All I read about is must have exp. I phoned local Co. and asked if they would hire me as a trainee. They all said no. Mr. Rissinger was the closest I came, I put those 3 mos. in at my expense not his. There's no oppurtunity for a common laborer or truck driver in this town unless you might get lucky and meet the right people. I just want another chance at a good job because I Know I messed up one good job. Believe me it wont happen again if I ever get a chance. That's all I want a chance at a good job. I am presently trying to start a Union at LTD. I feel we have no bargaining Power with the Co. on wages, hours, or even internal problems which occur daily with all the employees. Our Co. exists on state and federal grants and loans and also private donati. I feel we are connected to the Mass Transit District and we have been seperated from the District simply so the District can make more money on a service that should have been here long ago. They are making this money by not paying the employees a fair wage in which they have to pay the union members for the Greater Peoria Mass Transit District This is done simply by putting the dept. under the name of a Co. DTD provide transportation for Elderly and handicapped clients. I feel this matter needs investigation into the Mergers and Operations of the two Co's, Door to Door One and Greater Peoria Mass Transit District. Its awfully strange GPMTD and DTD have the same Board of Directors, And that same board of directors hires and fires us listen's to our grievances and approves or disapproves our raises. I started out at 4.00 per hr. I will not be eligible for a rai until 1-87 we get a dime for every yea we've worked there. Big raise huh! Just think If I work there for 30 yrs. I'll be up to 7.00 an hr.

Brad W. Arnett
Cheryl L Arnett

Chairman MILLER. Thank you. Cheryl, did you want to testify?

Ms. ARNETT. I would just like to say that this what he's gone through has caused a lot of mental strain. I have a 5-year-old daughter that has a lot of mental problems because of the pressures he's under.

Chairman MILLER. Thank you.

Mr. KILBOURN. I don't feel that I can significantly add to this testimony. I think the testifiers have spoken to their own situations much more adequately than I could, but maybe I could make a few comments, if I could, just to add a little bit of perspective.

I think sometimes, particularly for those of us who enjoy full employment in this country, we take for granted the extent to which jobs are important.

When I was preparing the written portion of testimony for this committee, I happened to run across several articles, one in Parade magazine, and the other a cover article on U.S. News & World Report. I just want to share one of them with you.

In the June 15 Parade edition, it shows about 20 people and the caption says, "What People Earn." And then the inside of the article goes on to compare various jobs and salaries and the importance of going up the socioeconomic ladder and making more and so forth. And so I think that this is just all around us and we take it for granted, the impact of the fact that jobs are so important to us.

In fact, I would take that a step further and say that we define a lot of ourselves based on what we do. OK. We get a sense of identity from our work. In fact, one very famous author, Victor Frankl, states that man derives in fact most of his meaning from his work.

We socially segregate or integrate ourselves on the basis of our work. We develop friendships and support systems from our work. Several of the testifiers have alluded to that in their testimony here this morning.

I think it's important to understand these things if one is to really understand the effect of unemployment on a family. Unemployment very simply makes people feel worthless and useless. And when that goes on for a significant period of time, as it has with the people that are here this morning, and as it has with Brad and Cheryl, the self-worth spills over not just to themselves, but it spills over into their marriages first, and then ultimately it spills over into the whole family system.

It does not significantly help always if a spouse is working because I think, at least from my experience as a marriage and family counselor, most men really see it as their duty and function, whether or not their wives work, to provide for their families. So when you take that provider out of the economic mainstream, you render that person unimportant to the family in their own perception, if nothing else.

Everyone else in the family unit, however, goes about doing what they're supposed to do, and in the case of a female spouse, a female spouse may in addition also work outside the family and sometimes somewhat paradoxically, even though that brings in an added source of income, it does not positively necessarily affect the stress and strain on the relationship.

The unemployed spouse feels inadequate and very unimportant to the family, and yet the family continues to make demands on the unemployed person.

Finally, as it did in the case of Brad and Cheryl, the family system can no longer tolerate the stress and the family is forced to going outside the family unit or the immediate support systems to seek help. There are many human costs to unemployment from this standpoint, and as we all know, there are high correlations between unemployment, and child abuse, alcoholism, spousal abuse, suicides and I don't think I need to go into that any further, because I think we're all aware of that.

I guess the only thing that I could say at this point would be for the committee to carry back to Washington a policy of providing for jobs like Brad and Cheryl and the others that are testifying here this morning, before the fact, rather than wait until after and try to clean up through tremendously expensive social costs as well as tremendous strain and stress placed on families as a result of chronic unemployment. Thank you, very much.

[Prepared statement of Kim Kilbourn follows:]

PREPARED STATEMENT OF KIM KILBOURN, M.S.W.

Dear Committee Members:

I welcome the opportunity to provide testimony to the Committee regarding the effects of chronic unemployment on the family. I have provided social services to families in a variety of settings since 1975. More recently, I have seen many families from the Peoria area who have been seriously hurt by economic events in Central Illinois. The farm and industrial crisis here has had a profound impact on everyone, almost without exception. However, there is a large group of people who have been particularly affected by the economic situation. Included in this group are those who are unskilled or semi-skilled, ones who are less mobile for a variety of reasons and thus cannot extend their job search to other geographic regions, and those who do not have college degrees. I have worked with many families who have experienced economically-related family problems, yet many of them were able to eventually improve their economic circumstances, usually because they had more available alternatives. The group of chronically unemployed I am speaking of have few realistic options from which to choose.

I believe that in order to understand the effects of chronic unemployment on the family, it is necessary to examine why it is important to have a job, particularly in our culture, and what effect the long-term absence of a job has on an individual's self-worth. It is then possible to see how that individual functions in his or her social relationships, including marriage and the family.

It is not difficult to document the importance we attach to jobs in America. The June 15th edition of Parade has as its feature an article entitled "What People Earn". The cover of the magazine shows twenty people, and for each person it lists their job, residence and income. The end of this article contains the following quote by a German immigrant who is talking about the United States;

> "Money is so important here, you're constantly exposed to goods - better house, cars, clothing."

The author of the article then summarizes by saying, "She's right: Acquisition is as American as apple pie." In the same week, U.S. News and World Report featured an article entitled "Are You Making What You're Worth". About the cover story, U.S. News wrote:

> "Are you making what you're worth? How salaries stack up in 120 jobs. Strategies for earning more. The many rewards of "psychic income".

We don't need much help reading between the lines here. Why not have said;

> "Are you adequate? Compared to whom? How earning more money will make you more adequate."

Apparently, thinking that the title of the article was not sufficient to get the point across, the U.S. News cover depicts four cartoon-like characters, each holding an envelope filled with money and each peering over the next one's shoulder to see how much money the other had in his envelope. Both of these articles reflect the degree to which our culture expects us to achieve, particularly economically. We socially integrate, or segregate, ourselves on the basis of our income or job position. Many of us establish outside social contacts through work. To most people, a job means "I'm worthwhile and productive". Victor Frankl , in his now famous book "Man's Search for Meaning" concludes that, universally, man has derived most of the meaning in life from his work. Having a job and producing income gives us a sense of identity, purpose and control of our life.

Chronically unemployed people don't feel good about themselves because it is almost impossible to feel any sense of worth in our culture if you are not gainfully employed. I had seen a family for reasons other than economic for approximately one year, with success, prior to the father of the family being laid-off. Though difficult, the family was able to struggle along marginally on what the mother earned. One day, after ten years of loyal service to her employer, she was handed a pink slip and told not to return to work. After several weeks of unsuccessful job searching, she called me late at night and requested to see me. She was obviously panicked and was crying uncontrollably. I met her at the office. She related how she couldn't find work and how she thought that with both her and her husband now out of work, they would lose their home. (He had run out of benefits and she was not entitled to unemployment compensation because of her employer's classification as a "charitable institution"). Midway through our meeting, she looked at me and said, "Do you know what I feel like? - I feel like nothin' - I'd like to kill myself if it weren't for the kids." Her sense of worthlessness and hopelessness at that moment, resulting from her economic situation, left an impression on me that I will never forget.

In my experience, chronic unemployment creates extreme stress on a marriage, even if a working, female spouse is able to make enough money for the family to meet its basic needs. I believe this is the case because most men see their role as a provider, whether or not their wives work. When the father of the family is unemployed, other family members continue to function in their roles, but the father does not. He begins to feel unimportant. The fact that his wife must work to help make ends meet may be taken by the husband as further evidence of his own impotence. If the wife is working, the husband may begin to envy her ability to make social contacts outside the home. It is not unusual for the husband to begin believing, incorrectly, that his wife "enjoys being away from me". He may begin drinking heavily. It is not uncommon for a male to become sexually impotent, further confirming to him the fact that he is generally impotent; another stress is consequently placed on the marriage. Accusations may follow that his wife is being unfaithful. Though untrue, the wife may in fact begin to enjoy being away from her husband due to his false accusations. Both partners now feel unfulfilled in the relationship and their marriage is in trouble.

A similar scenario can develop when the wife does not work. In this instance, the fact that now both partners are together eight more hours each day increases the likelihood of marital discord. Though they may recognize a need to be away from each other, limited resources often prevent it. Differences in personal style, personality and child rearing practices are intensified when both partners spend this much time together. Coupled with the extreme stress placed on both husband and wife due to economic conditions, these differences begin to become big problems in and of themselves when they normally would not.

As tensions develop in the marriage, the entire family becomes affected. Over a period of time, children in the family will be directly or indirectly pulled into the existing marital conflict. They may be directly involved, as an example, in instances where differences emerge in child rearing practices between parents. One parent becomes the "good guy" and one becomes the "bad guy". The children manipulate parental differences as they would in any family. Feeling already threatened by a loss of control in family matters, a father may interpret the child's "normal" manipulations as constituting an additional threat to his standing in the family. The father may over-react by punishing the child excessively, even to the extent some would view as abusive. Frequently, this forces the mother to take a protective role with her children, which serves to further isolate the father in the family unit. The family is now multi-problemed and in definite need of outside help.

The children can be indirectly affected by the amount of tension in the parental relationship. Children are extremely sensitive to tension and conflict. The fact that the parents are not getting along may cause the children to feel that they are to blame. Children may "act-out" in order to divert attention away from their parents' differences. The acting-out is frequently met with harsh parental rebukes, accompanied by less positive time spent with the children by the parents. Protracted absences of positive parental attention cause children to feel they are no longer important to the family. Again, the family becomes multi-problemed and requires outside help.

There are many more ways in which individuals, marriages and families are adversely affected by long-term unemployment. I have described several common ways, from my own experience, that unemployment can affect the whole family. The chronically unemployed have been overlooked, in my opinion, in the midst of some current economic successes. I sincerely hope this testimony will increase public and legislative awareness of the real problems of the chronically unemployed and underemployed, to the extent that we will then feel compelled to do meaningful things about it.

Respectfully submitted,

KIM KILBOURN, M.S.W.

Chairman MILLER. Thank you. Ken.

STATEMENT OF KENNETH SEARCH, M.S.W., ACSW, PROGRAM COORDINATOR, FAMILY AND INDIVIDUAL COUNSELING PROGRAM, FAMILY AND COUNSELING SERVICE, PEORIA, IL

Mr. SEARCH. Thank you, Mr. Miller.

I appreciate very much you and Congressman Evans and the rest of the committee inviting me to testify. I am a representative here of Counseling and Family Service, which is a family service agency, typical of many throughout the United States. We have been active in the greater Peoria area since 1900, and have some experience with problems of families and individuals and are getting perhaps a little more experienced than we'd like in the last few years, as the impact of unemployment and underemployment is added to the typical strains that are always present in the lives of families and individuals.

I am program coordinator of the Family and Individual Counseling Program at the agency and have a master's degree in social work and am a member of the Academy of Certified Social Workers. I note that some of the other testifiers are also from the social work background. I might mention to you, perhaps you've heard before, the line about how many social workers it takes to change a lightbulb?

It takes three; it takes one to do the actual changing; one to advocate for the light bulb; and a third one to help the light bulb decide if it really wants to change or not. Sometimes we do a little bit more important work than that.

I've included in my written testimony a lot of facts and figures, a lot of numbers, specifically for the greater Peoria area in terms of our unemployment, in terms of what Kim was mentioning before, the increase in reports of child abuse, family violence that as we know from generalizations always accompany increases in unemployment and underemployment.

I think you've gotten some fine specific testimony here not from the "experts," but from individuals, people who have experienced these sorts of problems. Since I know you're in a hurry, although I brought two examples with me, and I'm going to run through just one of them, an example of a "typical" family involved in counseling at the agency.

I brought two; one was a farm person since our agency in the spring began a specialized program for farmers and for their families; the other, a more urban person and I'm only going to give you briefly one of the examples, because I know you want to hurry on. And I think, as Kim said, the more important testimony you've gotten here is not from us experts but from people who are actually experiencing the problem.

So, just briefly, I call these folks the Jones family, but that of course is not their name. The family consists of five people, the father, the mother, a boy 16 whom I call Tom; a girl 15 named Betty, and another girl aged 10 named Jane.

The presenting problem, that is, the problem that brought the family in for counseling to our agency, is Tom's rebelliousness, which was reflected in his poor school grades, a couple of overnight runaways from home and a failure to keep the hours the family had established for him.

The father has been layed off and has been out of work for the past year and a half, unsuccessful in his repeated attempts to find reemployment. The family has lost a home that they were purchasing and currently live in a rented home in a less attractive part of the city of Peoria. The father is a Vietnam veteran and he is receiving personal counseling for chronic depression, from the Veterans' Administration. He has made reference in contact with me to past homicidal impulses which come from the stress that he and his family experience.

He complains of his 15-year-old daughter's, openly expressed anger and contempt for the family home as so much less attractive than their former home, and her complaints about not being able to dress as nicely as her friends can dress. Dad generally is angry at everyone and everything.

He is immensely frustrated and he is filled with a poorly masked sense of failure and uselessness which leads him to strike out sometimes physically at other family members. Thus, he bitterly accuses his wife of not backing him up and not helping him be firm with his son, Tom, and with his daughter, Betty.

And he screams at his son in moments of anger that he'll kick him out of the house if he doesn't shape up. There's a little bit of irony operating here because one of the things he gets angry about is Tom's running away. When the boy runs away and eventually returns, he says, "If you don't shape up, I'll kick you out of the house," which is part of the problem, of course.

Dad admits to increased drinking and spending most of his time sitting and watching television. Mother is a passive and care worn woman who tries unsuccessfully to keep peace in the household between her husband and her children. She is confused and miserably unhappy.

The 16-year-old is a quiet, brooding boy with a shy smile and someone who was able to admit to me at first privately some of his unhappiness with and confusion about his own behavior. He says he spends as much time as he can outside the home because of his unhappiness and anxiety about the constant fighting in the home.

Betty, the 15-year-old, at family meetings complained not at all about the family's financial situation but did express a desire for more time and attention from her father, saying he spends more time with the television than with her.

And the youngest girl, aged 10, told me privately that she is flat out scared of the loud voices and angry recriminations among the family members. She has a sense that it all somehow must be her fault and that she should be able to find a way to make all family members get along. This is somewhat typical family at the agency.

Just in conclusion, I would mention to you that we are a private nonprofit agency supported largely by area United Ways, which of course also are under stress because of the unemployment and difficulty in providing us with funds to meet the needs of clients.

And I thank you for this opportunity to appear and share with you a few things, and I appreciate, as I say, both Mr. Miller and Mr. Evans and the rest of the members of the committee being able to visit us out here in the field so to speak.

Thank you.

[Prepared statement of Kenneth Search follows:]

PREPARED STATEMENT OF KENNETH L. SEARCH, ACSW, PROGRAM CO-ORDINATOR, FAMILY AND INDIVIDUAL COUNSELING, COUNSELING & FAMILY SERVICE, PEORIA, IL

Counseling & Family Service, a private, non-profit, United Way supported social service agency with a volunteer board of directors drawn from the community, has been providing the Greater Peoria Area* with professional counseling and child welfare services continuously since 1900.

Affiliated with Family Service America and the Child Welfare League of America, CFS services are approved by the Council on Accreditation of Services to Children and Families and is staffed by professionals with degrees in social work and other related disciplines.

I hold a Master's degree in social work, am a member of the Academy of Certified Social Workers, and have worked at C&FS since 1978. Currently I am Co-ordinator of the Family and Individual Counseling Program at the Agency.

Beginning in 1982, our Agency began seeing the effects of the economic recession/depression, which hit our area especially hard due to the presence of the world headquarters of Caterpillar Tractor Company in Peoria. A long and bitter stike of Caterpillar by the UAW in 1981-82 exacerbated the effects of the economic downturn, and the Peoria area experienced and still experiences one of the highest unemployment rates in the state and nation. Currently 9% of the available area work force are unemployed, and at the depth of the economic downturn 19.2% were out of work. The closing of other companies smaller and not as well-known as Caterpillar (e.g. Hiram Walker's distillary and the Pabst Brewery in Peoria Heights) add to the past and current area economic woes. The more recent financial crunch experienced by farmers across the nation had delivered a second body blow to our area with its some 10,000 farm families.

Unemployment figures may be deceiving as reflectors of the actual economic stress experienced by the community, its families, and individual members. While many who lost jobs may have become re-employed, often their new work has significantly lower status, provides less personal and professional satisfaction, and, most practically, lower pay. A family which has had, say, an income of $40,000, goes through a period of unemployment with minimal governmental subsidies, and then finds their new, re-employed income to be $15,000 experiences stress and problems of adjustment which any of us would find agonizingly difficult, to say the least.

Farm families particularly are vunerable to economic and consequent personal and familial dysfunction and suffering due both to their traditional independence and thus unwillingness to accept outside, professional help and their spiritual/emotional relationship with the land. As painful and disruptive as job losses are to urban, non-farm workers, I believe a family which loses their farm experiences even greater portions of guilt, anger, fear, and (potentially suicidal) depression.

The problems addressed by the Counseling to Families and Individuals Program at our Agency have grown in the past five years both in terms of numbers of people in need and the severity of problems they experience. That is, more people are experiencing more problems, and the problems experienced are more complex.

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*C&FS serves the Tri-County area, i.e., Peoria, Tazewell, and Woodford counties.

The most important variable factor operating here is, of course, the local economy. Any number of studies have demonstrated that for each percentage point of increase in unemployment there is a corresponding increase in such family and individual problems as spouse and child abuse, divorce, and suicide. Common sense would indicate that the vast increases in stress, anxiety, and guilt consequent to unemployment, underemployment, or a real or perceived threat to continued employment would result in a commensurately large increase in inter- and intrapersonal problems properly addressed by counseling.

Everyone in our Tri-County Area is aware of the economic crisis our community has experienced for the last few years, but some specific figures are in order: for instance, from 1982 to 1985 the Peoria metropolitan area dropped from 16th to 49th place in wage income earned, as area jobs declined from 162,550 in 1981 to 139,950 in 1985, a loss of 22,600 jobs or a 14% decrease.

Some documented data regarding the corresponding growth in personal and family distress are the 47% increase in the number of area youth legally adjudged delinquent between 1982 and 1984 and the 101% increase in child abuse and neglect reports to DCFS[1] from our three counties between 1981 and 1985. Of special concern to our community is the problem of pregnant teens, and this also has grown at what reasonably may be termed an alarming rate in the past five years. Thus, in Peoria County there has been a 12% increase in out-of-wedlock births to teens (abortions obviously swell the total number of pregnancies); for Tazewell County the increase is 10% in out-of-wedlock births. (Woodford County does not keep track of these numbers.)

As further documentation of area stress, our Agency's statistical measures of service delivered have shown a natural corresponding rise to meet this need. Thus, the number of cases accepted (an unduplicated count) grew between '81 and '85 (with a decrease in staff due to decreasing financial support); requests for service in January through May of this year was up 21% over the same months last year, up 50% over January-May 1981, and - extrapolating - would rise 28% this year over last. Similarly, in our Single Expectant/Pregnant Teen program, individuals served increased by 34% between 1981 and 1985, and our Northside Outreach office (primarily serving minority clients) saw a 10% growth rate over the same period in clients served (with no increase in staff).

Economic and consequent emotional stress and distress are visited disproportionately on minority families, and this unpleasant reality is reflected in the fact that while minorities receiving counseling represented 17% of the total Agency caseload in 1981 that percentage had grown to 29% of clients in 1985.

Of course, economics is not the only factor causing increased need for counseling in our area, although it is currently the major one. Such additional factors as the loss of confidence in social institutions--government, schools, churches--and a continued deterioration in the family structure negatively interact with the growth in economic stress and have eroded the ability of families and individuals to cope, let alone triumph, over personal and family problems without professional help.

The availability of non-United Way funds[2] for agency services is less than was the case in 1981. While service to those with high incomes and the utterly indigent can be handled through the former's personal wealth and some (shrinking) governmental funds for the latter, services to the bulk of low to middle income area in the Tri-County area as is true nationally, are paid for out of their own income, and voluntary, non-sectarian agencies of course are heavily dependent on the United Ways' support for these much needed services. As family income erodes, clients' ability to pay fees naturally is correspondingly decreased. Thus, at our Agency, fee income has not kept pace with the growth in need for services despite the fee schedule having been adjusted upwards to reflect rising actual costs. Our Agency was able to exceed our fee goal by 9% in 1981, but in 1985 we fell 3% short of our goal. For the past 3-4 years we had to waive or adjust fees in view of clients' inability to pay due to high un or underemployment.

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[1] "DCFS"=the State Department of Children and Family Services, the Illinois agency responsible for the welfare of the State's children.

[2] 70% of the CFS budget comes from area United Ways.

There are few government or foundational grants available to support the kinds of services described in this report, and what federal and state monies currently are available for specialized needs is shrinking as a result of governmental retrenchment, which may become even greater when the Gramm-Rudman Act is fully implemented. In terms of what the federal government can do, I do not believe the private, voluntary social service agencies - a locally based means of helping people help themselves, preserve families, and strengthen our society - need to be subsidized massively or directly by federal or state governments. However, there are two areas in which legislators can help us help others:

1) oppose adamantly any attempts to lower or remove the deductability of charitable donations from the federal tax code. Our Heart of Illinois (Peoria), Chillicothe, Eureka, Marquette Heights, Morton, Pekin and Washington United Ways are making magnificent, herculean efforts to raise money to help others in our area. Don't allow laudatory efforts to reform the revenue system to hamstring these volunteers in doing their essential work. We need charitable citizen donations now more than ever.

2) follow the lead of the federal government which has approved CHAMPUS[1] payments for reimbursement of counseling fees for services provided by qualified, masters-level social workers. Experienced masters level social workers currently constitute, along with psychologists and psychiatrists, part of "the three major groups offering psychotherapy" to Americans and "outnumber psychiatrists two to one."[2] However, Medicare, Medicaid, and nearly all private insurance carriers reimburse only those services provided by psychiatrists and PhD psychologists.

Generally, there are two objections to legislation which would approve third party payments for mental health/counseling services provided by social workers:

1) It would lead to vastly increased expenditures by governmentally-backed programs and private insurers (with consequent increased premiums). Actually, the opposite is likely since social work fees are exceeded by those charged by MD's and PhD's by a factor of two or even three (average social worker's fee is $35 per appointment).

2) The public would receive incompentant service. Any provision for reimbursement of social workers should have strong qualification or licensure standards. States like New York and California and CHAMPUS provisions have requirements for licensure for fee payment which are, quite properly, tough and provide ample protection to the public and third party payers.

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[1] The Military health insurance carrier

[2] from "Social Workers Vault Into a Leading Role in Psychotherapy", The New York Times, 30 April 1985.

The very powerful medical lobby appears to be the major block to action which could lead to great benefit to great benefit to Americans and American families in need throughout the nation.

The available quantity of counseling services in our area, compared to the numbers of persons facing the problem, is less than five years ago. It is very important her to re-emphasize that I am speaking of the provision of counseling services by qualified professionals. From time to time in our community, the number of individuals and organizations presenting themselves as "counselors" may increase, but the quantity of qualified, professional counseling services to families and individuals in the Tri-County Area in 1986 is, at best, no more than in 1981, and the need for such services, as previously indicated, is greatly increased. Since 1981, all qualified service providers have struggled to "do more with less." Thus, local United Ways' support is appreciated more than ever.

Finally, I wish to mention two current federal programs which are of real value to area families. The first is the Title XX Donated Funds Initiative, which provides financial support for CFS' Multi-Services to Single Parents (MSSP) Program, which we have offered for the past 8 years in co-operation with Lutheran Social Service of Peoria. Any single parent and children of that parent with income below federal poverty guidelines is eligible to receive counseling, practical advice, and linkage with material assistance, education, and job training programs through this program. In 1985, our MSSP program served 2439 parents and children (a duplicated count) in 184 families. We served more single parent households in 1985 than 1984, and extropotations for 1986 show a further increase.

Services available under Federal grants* through the Central Illinois Retraining & Assistance Council, on whose Board of Directors I serve, have been of inestimable value to displaced workers in our area in providing classroom and on-the-job training and placement. CIRAC's 63% entered employment rate for clients in 1985 is solid testimony of its effective use of federal monies in helping area unemployed persons. Also, our local Private Industry Councils and Illinois Central College have done good work in this area.

I appreciate the Committee's affording me this opportunity to testify and hope the information I've provided is helpful to you in understanding how un/underemployment "plays in Peoria" in its effects on families and individuals and how these human needs can best be addressed by government and private agencies such as CFS.

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*Administered by the Illinois Department of Commerce & Community Affairs (DECCA)

Chairman MILLER. Well, thank you and my thanks to all of the members of the panel. As difficult as it is for you to relate your personal experiences, I hope you appreciate how difficult it is for us to listen, and almost in a sense eavesdrop on your private lives. But I think it is important because all too often, as Lane Evans has pointed out, we have watched unemployment and simply commented on the gross figure, whether it was 6 percent, or 7 percent or 12 percent, depending upon the area of the country.

And that gets you about 6 or 7 seconds on the nightly news. But the fact of the matter is, as this committee has witnessed now over our entire existence, that number is made up of an awful lot of families that are in an awful lot of trouble. And I guess one of the most troublesome things for me, as chairman of this committee, and just as a human being and as a member of my own community, is the extent to which most of the families find themselves in a situation through circumstances that are really no fault of their own, or certainly beyond their control.

Steve, you talked about the dry years you had. We were down in Macon, GA, earlier this year, and listened to a farmer who constantly went from either too wet or too dry a year, or to moving into crops where all his neighbors moved into the same crops and there were no prices there. And to listen to them tell us how eventually they just simply lost the farm, and now it was a different world for them.

I really appreciate you sharing all of that with us this morning. I do have some questions but first I'd like to recognize Congressman Evans.

Mr. EVANS. Thank you, Mr. Chairman.

I really just have a few observations and then maybe a few questions. And we always try to keep our questions to about 5 minutes; we call it the 5-minute rule. Unfortunately, I'm not going to be able to address a lot of the questions that I have, and it's very moving testimony that each and every one of you gave.

But one thing I wanted to point out to the members of the committee was that we have a lot of local responses, whether it's a J.D. Darnell cooperative program that Tracy talked about or the local food pantry in Henry County that Leo has worked with, a lot of our unemployed people are actually involved in those things; they're just not sitting at home taking unemployment or food stamps; they're trying to do something about their situation, whether it is trying to get jobs, trying to keep their farms, are working with other community agency efforts to help other people in the same boat.

That particular food pantry with concerned citizens out in Kewanee was built basically by unemployed people. So we appreciate your continuing contribution.

One area I wanted to try to focus in and I'd like to try it with maybe Steve's and Arthur's help is the future of their families. Now, Steve talked and I think it's important about the relation of off-the-farm income to the farm, and then concluded by saying that the farm is a good place to raise children, but it is foolish to encourage them to stay.

And really quite frankly for a younger farmer yourself, it's probably very difficult for you to stay. But I'm left with this question, as a member of the House Agriculture Committee, as well as this committee, is what's going to happen to American agriculture if there isn't a generation of younger farmers to take over when their fathers and mothers leave them.

Do you have any idea?

Mr. MULLEN. Well, that's a good question, and they still talk about farmers still having liquid assets and being in good shape. But to my knowledge and the best that I can figure that most of those farmers that are in good shape are probably in excess of 60 years old, so there's going to be a rapid, should be a rapid turnover here someday and I don't know how it's going to be swung.

Mr. EVANS. And what happens if they're not there? That's I guess a question that we'd——

Mr. MULLEN. I think that the farmers are the backbone of the country. I mean, we've got good people on both coasts but I still think the backbone is right here in the Midwest. Everything kind of relates around it. I mean, it pyramids, it builds off it.

Mr. EVANS. All right.

Arthur, I think you mentioned you had a 21-year-old -son? Is that correct?

Mr. YOUNG. Yes.

Mr. EVANS. Well, you have probably put yourself through school on the GI bill, perhaps?

Mr. YOUNG. Right.

Mr. EVANS. And worked very hard to get through North Carolina State, was it?

Mr. YOUNG. Yeah. North Carolina Agricultural and Technical State University, along with—A&T they call it.

Mr. EVANS. All right, and now you're struggling; you've got a 21-year-old son. Is he interested in going to college?

Mr. YOUNG. He's going to college; he's at A&T now. He has a year left, which also presents a problem for him because see he depends on me for his financial support. We have not tried to get any loans for him or anything through the school. But it goes beyond money, although, let's face it, money is the primary factor.

But there are so many other things, so many stresses that come into play that are so subtle, like the arguments that the man alluded to. You get into these things over nothing because there's a built-up tension that's apparent in that environment.

But as far as my son is concerned, hopefully, he will be able to finish up this year without any trouble and I'm expecting to be given more teaching time. One of the things I've been doing is increasing my training in math, and that is an area in the school system that still has a great demand, so if I get certified to teach math, it will increase my class a little.

Mr. EVANS. I see.

I really don't have any other questions. I just want to thank again the people who have you know contributed so much to our society and want to contribute more if we'll only give them the chance. Thank you very much.

Chairman MILLER. Congressman Levin.

Mr. LEVIN. Let me, if I might, Mr. Chairman, make just a brief observation. It's true that we have to go back to Washington this afternoon; we're voting this afternoon the defense authorization

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bill and we don't want to miss votes. But I hope no one thinks that any of us are going through the motions on this side of the table; because we aren't. The testimony here is so striking we're going to be taking it back with us; not only the words but the feeling of it.

You highlight some of the problems we're faced with and I just want to mention that briefly, for example, the relationship between work and training.

Mr. Collinson, you had some help from JTPA, and it's a good program, but as true for a lot of people, there is help with resumes, with interviews, but not with retraining. And you've gone from machinist to work as a janitor. There's something wrong that someone with your skills—and I don't care what age—and I feel young at mine, isn't retrained.

If I get layed off from Congress, I expect to have a chance to be retrained. Seriously.

Mr. **Martinez**. What would we be qualified for?

Mr. **Levin**. I don't know. That's a good question, Marty.

And Mr. Young, in the same way, your testimony focuses on another problem relative to training and retraining and that is, that if you begin to work, you lose help in retraining. There's something very out of kilter there; very out of kilter, which some of us in Congress are now looking at very seriously.

Mr. Mullen, I think in the coming 12 months it is inevitable at long last Congress is going to have to look at who is benefiting from the farm programs in America, because the payments are going to go up instead of $12, $15 billion under the farm program as estimated, they're going to be what, $30, $35 billion? But a highly disproportionate amount is going to high income farmers, people getting $200,000-$250,000 worth of Federal assistance.

Mr. **Mullen**. And I think what we need to know is in the fall is the time of the year to make plans for next year and we don't know until March; everything's just slammed together and there's really no planning into it, and that's the way the farm program has been the last couple of years, and we end up to the last minute making a hair brained decision a lot of times.

Mr. **Levin**. Well, you're so right, and let me just say to Tracy and to the Arnetts and especially, if I may, to the Arnetts, I think all of us will carry back your feelings and the testimony as to what unemployment does to people.

So I join my colleagues in thanking you very much for your testimony and to thank Congressman Evans for all of the efforts to schedule this hearing. We had a hearing on unemployment in Michigan, what was it, about a year ago, in an urban/suburban setting and there are 400 million people in this metropolitan area.

Here, it's much smaller but for human beings the problems are just as big, if not bigger.

Chairman **Miller**. Mr. Martinez.

Mr. **Martinez**. Thank you, Mr. Chairman.

First of all, I would like to reiterate what both of you have said, Mr. Chairman and Mr. Levin. We have to thank Mr. Evans for arranging this hearing in this district so that we might hear more testimony similar to what we've heard before, and take back to Washington the fact that problems that exist here exist every-where; that there is no great economic recovery for the 17 million people that are out of work.

For those that are working, that are working below what is a substantial wage to afford them any kind of a dignity in their family life. The tragedies that we've heard here today are all too familiar to the tragedies that we've heard at the hearings that the Subcommittee on Employment Opportunities has held in Ohio, Pennsylvania, California, Washington, and Georgia.

Every place where I've taken that committee to have a JPTA hearing, we've heard the same kind of stories; people out of work, families suffering, families being devastated, and really the situation causing extreme despair in those families, and I think that it's incumbent on us and those of us that have been to these hearings and heard this testimony to try to make voters that are so blind they refuse to see that there is a tragic situation occurring in this country.

No matter how you look at the unemployment figure of 7 percent, whatever it is at this point in time, it is not really reflective of what's happening out there. People who have exhausted their unemployment benefits are no longer counted; they've added the military to that which was never counted before and shouldn't be counted, so that they can present a figure that they say is acceptable.

Well, it's not acceptable. When this administration took office, the unemployment was at that rate. It then rose to almost 11 percent, and I guess in their eyes if they reduced it from 11 percent to cause it to go back to the 7 percent, it's now acceptable. But I can remember in speech after speech, the statement of how deplorable that percentage rate was and how we needed to reduce that and put America back to work.

Well, ladies and gentlemen, we haven't put America back to work; we've exported more jobs than we've created here in the United States, and those jobs that we have created, we've created at a lesser wage than what the other jobs that we lost were.

In Aliquippa, PA, I talked to a gentleman 55 years of age, a Korean war vet, who was very desperate, because not only could he not find work, but his wife couldn't find work at their level of competency. He, as a technician in a steel industry that closed down, and she was a schoolteacher in a school that was beginning to get ready to close down because of the mass movement of people from that area to find jobs elsewhere.

He said to me, what are we going to do, and I told him about JPTA, the program that you went through. And he said, you know, even though I've gone through that training, at 55 years of age, another person was applying whom they would rather hire even though JPTA requires a placement. He said to me, too, he said he read a statistic which I had to verify to him, that even though JPTA's a good program, it's only reaching about 3 percent of the total need. It's not sufficient and what we've got to do is convince Congress that they need to put more money into a program to reach a greater percentage.

It's absolutely deplorable that it only reaches 3 percent of our needy people with a retraining program, people that are willing to work and want to work. I would simply close by saying, thank you to all of you. Because the testimony you have supplied here, I will add to the testimony I've received in my subcommittee of employment opportunities in order to try to present a better case to Congress for the need to expand funds for retraining, funds for education.

We have 17, I think it's 17 million people in this country that are functionally illiterate because the education system in this country hasn't provided for them and I think we need to start providing for them.

Thank you, Mr. Chairman.

Chairman **Miller**. Thank you.

Cheryl you are engaged with family services in terms of counseling with your family to get you through this problem. Do you think you could do it without them?

Ms. **Arnett**. No. If it wouldn't have been for them, we wouldn't be married and the kids would probably have more emotional problems. They've helped us tremendously.

Chairman **Miller**. Kim, how many people are waiting to engage your services?

Mr. **Kilbourn**. How many people?

Chairman **Miller**. Do you have a waiting list?

Mr. **Kilbourn**. There is a waiting list at the agency—yes, Mr. Miller.

Chairman **Miller**. How would you characterize those families? Are they in serious trouble?

Mr. **Kilbourn**. I would say that many of the families that I see in the Peoria area are in very serious trouble—yes.

Chairman **Miller**. Cheryl, do you hear of other families that are in the same situation when you talk to your friends. Brad, do you?

Mr. **Arnett**. Yes, sir. Quite a few.

Ms. **Arnett**. Yes, there's older ones, too. Friend's parents that have been laid off from Caterpillar and they're fighting and they've had 20 years of a good marriage. And now they're fighting because there's so much stress.

Mr. **Kilbourn**. I would like to add, Mr. Miller, that it seems like one of the societal solutions for this problem is to take jobs from the northern industrial sectors and move them south where you can get cheaper labor and cheaper utilities, and so forth.

And yet, the net effect that has on families is even more stressful because, as one of the gentlemen was indicating when they were—I believe it might have been Tracy—thinking about moving, you move yourself away from the very support systems that are keeping you together at the time, so that is certainly not any kind of a sociological solution to the problem. It may be a brief economic solution at best.

Mr. **Evans**. It's not even really an economic solution for many people if they own homes and can't sell them. Is that a problem that you've seen?

Mr. **Kilbourn**. Yes, oh, definitely in Peoria, yes. There's about 6,000 homes for sale in Peoria.

Mr. **Evans**. So you just can't get up and move and go get a minimum wage job?

Mr. **Kilbourn**. Not unless you turn your house over to to the bank and just say, here.

Mr. **Evans**. *With all your equity that might have been built up?*

Mr. **Kilbourn**. Right.

Chairman **Miller**. A few years ago, we actually had the Secretary of Labor tell our committee that people in the Midwest, in what they call the Rust Belt in terms of the Northeast and Lower Midwest, just had to understand that those jobs weren't going to be there anymore and that they should just pick up and move.

Of course, everybody suggested that they move to Houston, and now as we see, Houston, for a whole lot of unrelated reasons to this problem, is now finding itself in an economic crisis, and people who did move are finding out that they have to move back home. But I think what we clearly also saw was a tremendous uprooting of the support systems for those people, as we saw in Sander Levin's area, support systems in the city of Detroit and surrounding neighborhoods where again all of a sudden people found themselves in this tragic situation.

Tracy, let me ask you something. You're sitting here listening to this and you gave us some very special testimony about you and your family. What do you think this says to you as a young person? You're a high school senior and my son's going to be a senior this year. What does this tell all of you about your prospects in terms of family and marriage and jobs?

Ms. **Van Wynsberghe**. Well, I think it tells me that I have to get a stable future before I even think about marrying or having a family or anything like that because——

Chairman **Miller**. You've got to take care of yourself first?

Ms. **Van Wynsberghe**. Yes, because right now, I wouldn't want to have children go through what I do in my family about moving and all this.

Chairman **Miller**. That's an interesting notion. When I was married, I was married very, very young, but my family always told me, my mother always said, "Oh, don't worry; have children; everything will take care of itself." I mean there was this notion that it'll all work out, and she said, "Well we had you kids. What'd you think we did; we weren't rich."

Everything worked out. You're telling us just the opposite. You're telling us that you're going to have to postpone perhaps putting together your family because of what you've seen happen around you in this community.

Now, would you plan on staying here after you finish your schooling? What do you think?

Ms. **Van Wynsberghe**. I'd like to because I like this area. I've lived here all my life. I don't know anything different so, I mean, I really like living around here, but if I have to, I guess I'll have to go someplace else.

Mr. **Levin**. Other places in the United States are getting kind of rusty, too, though. Are you going to college?

Ms. **Van Wynsberghe**. Yes.

Mr. **Levin**. Where?

Ms. **Van Wynsberghe**. I'm going to Blackhawk East and then possibly Western or Illinois State.

Mr. **Levin**. To study?

Ms. **Van Wynsberghe**. Business management.

Chairman **Miller**. Mr. Young, what are you going to tell your son when he graduates from college? Is he going to come back home or is he going to go somewhere else?

Mr. **Young**. He's already told me he's not coming back.

Chairman **Miller**. He's not coming back.

Mr. **Young**. I don't know whether it's totally this situation but we were talking a couple of weeks ago when he was home and he indicated that he would not be coming into this area.

One of the things I'd like to point out, if I may, I have a friend, a very close friend who was layed off at the time I was terminated. I got severance pay for a year. This young man was layed off; he had no pay, no benefits, and he's a young fellow, he and his wife lived out in Ft. Byron and he could not find any employment in the area; he did not want to leave.

So, he finally got tied up with Scott County and he trained for truck driving. Now, that was bad. In truck driving, they kept him on the road sometimes 4 to 5 weeks at a time and not be able to come home at all. He had a young baby less than 2 years old.

So, he's done this for a year now, so he's finally been offered a job training program that works with the arsenal, but he has to go to school for some 10 months. He could not sell his home because there's nobody buying homes in Quad Cities in any quantity.

So he's walking away from that investment, just moving; not even telling the bank. It's a sad situation when you just have to turn loose your investment in a home that way, and pack up and take your family away for 10 or 12 months to retrain when you have a degree and you have a work history.

Chairman **Miller**. Steve, do you think your kids are changing?

Mr. **Mullen**. Yeah, they've grown up quite a bit in the last couple years. Used to be they depended on mom and dad for everything; now they kind of fend for themselves a little bit. It's not like we were never home but you know, they can cook, my oldest boy. I'm 35 years old and I can't cook; my 11-year-old can cook. I probably need retraining in that area.

Chairman **Miller**. You wouldn't want to take a vote in this room on that question, would you? [Laughter.]

You might look into it.

Mr. **Mullen**. It kind of shocks me, you know, but they do a good job.

Chairman **Miller**. But do you think they sense that there's a change going on there?

Mr. **Mullen**. Yeah, the two boys have, you know, I think this is the same way most kids that grow up on a farm, they want to grow up and be a farmer like their dad. My oldest one, he's very interested in the farm but I think he does realize that it's probably not going to be a place to stay. He's still young enough; we've got 10 years for this thing to turn around before he really has to make a decision. Hopefully, it can but, you know, as of right now, I just think it's foolish to encourage them kids to stay on a farm.

Mr. **Martinez**. Steve, do you notice or see any traces of apprehension in your children about the future?

Mr. **Mullen**. Yeah, I think so. Of course, we have some money problems and stuff and maybe the wife will be crying and they, at first they kind of misunderstood what was going on. They thought that we were having problems that maybe we were going to need to get a divorce and sometimes get to crying and it was over money, not over the family breaking up.

That was their first concern, and I think everybody on this panel knows what it is to be up against hard times, and there are some spats and stuff like that. That was the first thing, in fact, my daughter asked my wife one day in the car if we were getting a divorce. That's never been brought up and it's not going to be, but you know, they were confused about what was going on.

I think they understánd a little bit now that it's money problems, you know.

Mr. **Martinez**. But they do have, I guess, a tremendous apprehension for the future, other than breaking up; there's just, as you said it, there are things that are going to change; are they going to turn around. They've got 10 years to turn around before they have to worry about it. But I'll bet you at their young age, they're already worried about it, aren't they?

Mr. **Mullen**. Yeah, they've got no decision, you know. Like I said, the boys are interested and have been in farming. Of course, I grew up on a farm; my wife did; my grandfather's place is a centennial farm. It's been in the family since 1861, so it's pretty well instilled in me, farming, and I'd like to see the boys farm, but you know, at this point, I don't know.

Mr. **Martinez**. Tracy, among your classmates, do you notice a lot of apprehension of the future?

Ms. **Van Wynsberghe**. Most of my school is a farm school and we're all surrounded by farms. A lot of the students in my school they'll go to college and then they'll leave. They can't stay on the farm because they're just not working right. A lot of farms around my area are going bankrupt, and things like that.

Mr. **Martinez**. So they don't feel there's any future there at all?

Ms. **Van Wynsberghe**. No; not now.

Mr. **Martinez**. Thank you.

Chairman **Miller**. Ken, just quickly, what percentage of the families in your area are getting helped?

Mr. **Search**. That's pretty difficult to estimate. I was interested in, and I'm not sure if it was your question or someone else's question, to Kim about waiting lists, because it's one of my jobs at my agency to assign clients to workers, and it's really agonizing. A part of my job I really hate is the fact that we have a waiting list and I have to decide who waits and who doesn't.

It's tough because there are a lot of folks who are calling who are really in need; I'm not talking about people saying "Well, we don't get along too well. I'm talking about current genuine crisis situations and we just don't have the staff to see them as immediately as we would like.

I really can't give you a specific answer to your question. It would be merely guesswork on my part to talk about how many families are in need in our area which is Perry, Tazewell, and Woodford County, tricounty area, and how many are being seen in counseling.

Chairman **Miller**. Let me thank everybody on this panel for their testimony. I think it's been very, very helpful to us.

Lane has said to me very often, both in the consideration of the agriculture bill and in the consideration of unemployment-related legislation, that we don't necessarily understand how desperate it is out here. I come from an entirely different type of area. I come from an area that's one of the fastest growing areas in California, where we probably created somewhere between 15,000 and 20,000 new jobs just in my congressional district, which isn't very big.

And down the highway from me, we have one of the wealthiest families in the State. They received this year in excess of maybe $20 to $30 million in cotton support payments. And there's something awfully wrong with that policy.

And I know that Lane had amendments to the agricultural bill; he convinced me, but unfortunately not enough of my colleagues, to target this legislation toward that percentage of the family farmers that really are in trouble.

Unfortunately, for urban people like myself, there's the real question of continuing to support agricultural programs when I see what's going on in my State with people who are wealthy beyond our wildest dreams, who are simply lining up and picking up their payments, and in fact planting for no other purpose than that payment.

But I think your testimony has pointed out to us more than just the family related difficulties. We're all members of families here, and we all share those. But I think you've shown us the extent to which this country has, in the fourth year of economic growth, just left an awful lot of the American families behind, and that it's unacceptable, and that we have got to start putting together better policies. If this administration won't do it, then Congress had better roll up its sleeves and start addressing a support system that will help families in need.

They're used to be a great argument in Congress regarding the Federal role in families, when intervention was a bad word, on the theory that somehow we got there before people needed help.

Your testimony suggests that even long after you've asked for help, the services aren't there, whether it's job retraining or financial support, or counseling for troubled families, and that we had better start targeting those resources. And if my area is fortunate enough to be in a full blown recovery and growth, then we ought to take some of those resources and redirect them to other parts of the country that need help, so that they can share in what we like to continue to call the American Dream.

So thank you very much for your help and your time, and your testimony. Thank you very much.

Now, if we can hear from the next panel: Bob Ranney, Rand Conger, Roger Hannan, William Deadmond, Mari Ann Graham, Lee Hout, and Ann Abel. If you would come up please.

And let me just say to people in the audience that we try to keep these hearing records open for 2 weeks, and if there is something that you hear either in the previous panel or in this panel, that you would like to comment on and make part of this record, you can send a letter to Congressman Evans' office to get us the comments that you think we ought to hear, something you think that the committee can benefit from as it continues to try to better understand the ramifications of these economic policies. We would certainly welcome your comments.

And probably the easiest way for you to do that is to send them to either the select committee in Washington, and/or Congressman Evans' office here.

Bob, we want to start with you.

Please proceed in the manner in which you are most comfortable.

Mr. RANNEY. Thank you.

STATEMENT OF ROBERT J. RANNEY, SENIOR CONSULTANT, NATIONAL RURAL HEALTH CARE ASSOCIATION, KANSAS CITY

Mr. RANNEY. Thank you, Chairman Miller, and thank you to the entire subcommittee for this opportunity.

We have a very real situation here as you have seen and I was very pleased to be asked to testify because we've spent the last 8 months studying the effects of this rural economy on the delivery of primary health care services in four States: Iowa, Missouri, Nebraska, and Kansas. Unfortunately, not Illinois, but we're not far removed and I think our problems are quite similar.

My name is Bob Ranney and I am with the National Rural Health Care Association, as part of my duties in my position as senior consultant, I spend 3 days of my week managing a group called the Midwest Rural Health Associates, which is a four-State group of primary health care centers, primarily community health centers.

We spent about 3 of our 8 months looking at data about the difficulties in the farm States, and I'll just run very quickly through some of what we found.

In Missouri, 24 counties north of the Missouri River and 13 south of the river, suffered personal income declines of 100 percent between 1978 and 1983. An additional 27 counties throughout the State suffered farm income declines of 67 to 100 percent.

Now, we only have 113 counties in this State, so more than half of our counties have suffered at least 67 to 100 percent drops in income in 5 years.

In Iowa, the land value decrease from 1981 to 1985 was 44.5 percent; in Kansas 26.8 percent; in Nebraska, 40.1 percent; and in Missouri 33.6 percent. In the entire United States 11.7 percent. We've been hit hard.

The farm bankruptcy rates in Missouri increased over 400 percent in 4 years. For every 6 to 7 farmers that have to go out of business, one business closes on main street. Our four States in region 7 have the highest aggregate debt to asset rate in the Nation.

In the Iowa Farm and Rural Life Poll, 39 percent of the respondents reported increasing the deductible on their health insurance; 12 percent reduced the level of their coverage; and 4 percent canceled, but in 1985, farming became the second most hazardous occupation in the country.

In 1986, the Harvard University Hunger Counties Study demonstrated that hunger counties in the United States moved from the South and Southwest to the Midwest and north-central regions.

The second part of our study was concentrated on a survey that we did of primary care physicians in those four States. We mailed a questionnaire to 3,318 physicians and 27 percent of them responded. When asked if they were seeing an increased rate of stress-related problems, 62.4 percent said yes. When did they notice this increase? 1983 to 1984.

Asked if they had noticed any reduction in their patients' ability to pay for services, 70.1 responded yes. Asked what they thought was the reason for this, 52.7 percent said the patients' income levels had deteriorated due to the rural economy. They noticed that in 1984.

Asked if patients were presenting problems at later stages than usual due to economic problems, 58.4 percent said yes. Asked how frequently they treated a patient whose health was adversely affected by difficulties related to the rural economic situation, 16 percent said daily; 29 percent said weekly, and 14 percent said monthly.

You've got a majority; 15.2 percent said less than monthly and 4.2 percent said never; 19.3 were not sure.

Our conclusion was that the rural economy is negatively affecting delivery of primary health care services. The testimony we heard earlier this morning moved me to tears. I hope it moved you to take that feeling back and express it as eloquently as you can.

What I would like to do is move to action. The comments that you've made about the administration's position regarding the farmer, the rural economy, and the families in the United States is absolutely correct.

Hold the line.

I'd like to talk a little bit about the future. What does this mean? What can we look forward to?

Our physicians say that our farm families are overstressed they are coming in late in the history of their illness and they can't afford to pay for services, ergo they don't come in for services until the last minute. They don't identify preventive care, physicals, care for little acute or chronic conditions as being necessary. So what are we going to be faced with?

Three years ago in Texas, the University of Texas at Austin did a very similar study to ours. They found the same things we found. What have they got today? They have hospitalizations by people who can't afford to pay for services. If you pay for primary care, you don't pay for the hospitalization.

If you pay for the hospitalizations, you pay eight times as much. So where do our priorities lie?

And we can look 3 years down the road at the Midwest. And a complicating factor to that is, we also have a very high rate of rural hospital closures, so where do the people go for services?

We really feel that the communities need to mobilize, and we feel that we need to look at different factors than we used to. We used to rely on the hospital, the doctor, and the public health unit to take care of things. We can't do that anymore, so I think we have to look at getting other people involved, community service organizations, church groups, sure your physicians and hospitals and home health agencies, and public health units, but local government, mental health providers have to be included as part of the primary care provision, and at this point, they are not.

The farm cooperatives, we're involved with the National Farmers Union right now, and with Pioneer Hybrid and with a lot of other associations including the hospital associations, medical societies, et cetera, in trying to put together a better ordered house in order to aid this subcommittee's efforts to find out what is exactly wrong and how we can get something done about it, to provide solutions. We don't have any funding for that, but hopefully we'll make it happen.

But those are the kinds of things that should be done.

But I would like to make you aware, if you are not already, I'd be amazed if you are not because I know that you've been studying the situation, but if I might speak a little bit to the factors that impede the local area's ability to do these things.

Our administration says its the responsibility of local areas to take the burden, bear the burden. We can't put Federal dollars into social programs. But these factors include the combined effects of reduced land values on local government taxation and tax collection. You don't get as much of a tax base if your land values are down. Our land values are down over 400 percent.

How do we fund these things?

Reduced personal incomes on tax collection; donations; how do you donate to the causes you are fond of if you don't have income that allows for that? The number of people in need of assistance has increased. Reduced amounts of Federal dollars pertaining to social services delivery and the exact nature of problems presented by rural families in economic difficulties and the likely responses of rural citizens to various service approaches all impinge on the ability of local areas to meet the problem.

Twenty percent of the jobs in the United States are directly created as a result of agriculture, so this little base of farms out here isn't the problem. It's a very very important and personal problem to each of the people involved on the farm, we had one fellow this morning talking about his farm. I have friends like that. I grew up in northwest Iowa on a farm. I have friends who've been trying to make it and they're not going to make it.

Twenty-one million jobs; we predicted that this year there will be about 22,000 people who will not get the medical care they need because they don't have the money to do it in those four States; that's if things stay relatively calm. If things get any worse, God only knows but there are 21 million jobs across the country that depend on agriculture, and I think that our administration needs to think about that.

Thank you.

[Prepared statement of Robert Ranney follows:]

PREPARED STATEMENT OF ROBERT J. RANNEY, CONSULTING MANAGER, MRHA, SENIOR CONSULTANT, NRHCA

1

A Summary Statement of the Findings
of the study
"Rural Health Crisis:
The Effects of the Rural Economy on Primary Health Care"

Under a grant from the U.S. Public Health Service, Region VII Midwest Rural Health Associates, Inc., along with Northwest Health Services and the National Rural Health Care Association, was involved in gathering data and preparing a report on the effects of the rural economy on the delivery of primary health care. This study concentrated on four states - Iowa, Nebraska, Kansas and Missouri.

Our approach was to first gather data in an effort to ascertain whether the rural economy was as severely troubled as some news reports and studies had indicated and secondly to assess the effects of the current rural economic situation on the delivery of primary health care services.

The first segment of the study revealed that there is indeed a negative rural economy in effect. Some of the facts which led us to that conclusion include:

1. In Missouri 24 counties north of the Missouri River and 13 south of the river suffered personal income declines of 100% between 1978 and 1983. An additional 27 counties throughout the state suffered farm income declines of 67 to 100%. (Source: Missouri Economic Summary and Analysis. Oct. 1985)

2. Land values decreased drastically in all four states from 1981 through 1985. During that time span values in each state declined as follows:

Iowa.............	44.5%
Kansas...........	26.8%
Nebraska.........	40.1%
Missouri.........	33.6%
Entire US........	11.7%

3. Although strictly comparable farm bankruptcy rate data was not available, the rate is alarming. In Missouri, for instance, the rate went from 114 bankruptcies in 1981 to 535 in 1985, an increase of over 400% in four years and a five year total of 1,672. In 1984, Iowa suffered 600 farm bankruptcies as compared to Missouri's 458. (It should also be noted that in Iowa in 1984, 45.6% of farmers leaving business did so by simply selling out and liquidating debt. Only 19.7% actually declared bankruptcy.)

4. For every six to seven farmers who must lose their farms, one business closes. (Source: Dr. William Heffernan, University of Missouri Department of Rural Sociology.)

5. The four states in Region VII have the highest aggregate Debt to Asset Ratio in the nation.(Source: A. Womack et.al., "National Farm Survey on Financial Stress", FAPRI Staff Report #6-85, July, 1985.)

6. In the Iowa Farm and Rural Life Poll 39% of respondents reported increasing the deductible on their health insurance, 12% reduced the level of their coverage and 4% cancelled their health insurance.

7. In 1985, farming became the second most hazardous occupation in the country. (Source: Harvest of Harm Des Moines Register, November, 1985.)

8. In 1986, according to the Harvard University study "Hunger Counties, 1986", the heaviest concentration of hunger counties in the US moved from the South and Southwest to the Midwest and North Central regions.

In the second segment of the study, working with the University of Missouri School of Medicine Extension Service, we surveyed 2218 primary care physicians in the four states. Of these 25.7% responded. A complete tally of their responses is attached to the transcript of my remarks, but certain points which demonstrate the essence of the results include the following:

1. Asked if they were seeing an increased number of stress related problems, 62.4% said yes. Asked when they first noticed this increase, the majority responded 1983 to 1984.

2. Asked if they had noticed a reduction in their patients' ability to pay for services, 70.1% responded yes. Asked what they thought was the reason for this, 52.7% said that the patients' income levels had deteriorated due to the rural economy. In regard to the year in which they first noticed this situation, the peak year was 1984.

3. Asked if patients were presenting problems at later stages than usual due to economic problems, 58.4% said yes.

4. Asked how frequently they treated a patient whose health was adversely affected by difficulties related to the rural economic situation, 16.1% said daily, 29.7% said weekly, 14.5% said monthly, 15.2% said less than monthly, 4.2% said never, and 19.3% were not sure.

Our conclusion was that the rural economy is negatively effecting the delivery of primary health care services to rural citizens to varying degrees in Iowa, Nebraska, Kansas, and Missouri. We feel that there is good reason for concern about this. This concern is based on the fact that inability to pay for services tends to prevent our rural citizens from accessing health care services for any reason other than an emergency. This means that they forego routine physical examinations and preventive screening as well as medical care for what they perceive to be routine illnesses. The end result of this approach to medical care is eventual treatment and often hospitalization for conditions which could have been prevented. Such care is much more costly than routine acute or preventive medicine.

We firmly believe that action should be taken to structure local responses to the medically related consequences of the rural economic situation. There are external factors which impinge upon the local areas' ability to do this, however, and they should be taken into consideration. These factors include the combined effects of: Reduced land values on local government taxation and tax collection; reduced personal incomes on tax collection, donations, and the number of people in need of assistance; reduced amounts of federal dollars for application to social service delivery; the exact nature of the problems presented by rural families in economic difficulty; and the likely responses of rural citizens to various service approaches.

We recommend that communities mobilize around established community resources such as community service organizations, church groups, physicians, hospitals, home health agencies, public health units, local government units, mental health providers, farm cooperatives, etc. to identify means by which they can prepare for and meet the needs of families being deprived of primary health care as a result of negative economic situations. We also believe that assistance in such efforts can be provided through medical societies, Departments of Health, and other state level agencies as well as through the U.S. Public Health Service.

Any such efforts should provide for support systems to help distressed families to deal with the stress which negative economic circumstances bring about, to ensure that such families do not go without adequate primary care for acute problems and to be sure that such families are able to continue preventive health care practices.

We would also like to stress the fact that this is not only a "Farm Crisis", which would imply a short term situation which impinges only on farmers, but a long term situation: on-going for over five years now and not likely to be over within another five years. It effects not only farmers, but the entire rural community and any industries which are in any way farm related.

Nationwide, more than 20% of all jobs owe their very existence to agriculture. That amounts to 21 million jobs. For the sake of the entire economy, all kinds of efforts should be aimed at the alleviation of the negative situation which exists in our farm economy, and for the well-being of all of our rural citizens, we should act now to avoid the serious health care problems which will arise if we fail to address the issue.

ADDENDUM TO PREPARED STATEMENT OF ROBERT J. RANNEY

RURAL HEALTH CRISIS

Northwest Health Services, Inc.
Mound City, Missouri

and

Midwest Rural Health Association
Kansas City, Missouri

Elizabeth Elam, Project Coordinator

and

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With Consultation and Support from
The National Rural Health Association
Kansas City, Missouri

Funded by Region VII, U.S. Public Health Service

RURAL HEALTH CRISIS

An Abstract

THE EFFECTS OF THE RURAL ECONOMY ON PRIMARY HEALTH CARE SERVICES

Analysis of secondary data led this study group to conclude that the "Farm Crisis" is not only a reality, but is so much more widespread than just the farm that the definition must be generalized to a "Rural Crisis". This broadened definition allows planners to target efforts of crisis alleviation toward a much wider audience than just farmers. A direct survey of primary care physicians in Iowa, Missouri, Kansas, and Nebraska supported the study group's research. That survey revealed that the majority of physicians are seeing more stress-related diagnoses, patients are less able to pay for services, and patients are presenting later in their illnesses. The problems first surfaced in 1981 and most respondents were aware of them by 1985.

Our study and those physicians surveyed agreed that the problem is steadily increasing in severity both in the number of patients effected and the degree to which it effects individual families. As a families' economic situation deteriorates, it has a ripple effect in the community. First-line suppliers such as cooperatives, machinery, fuel companies, and employees feel the effect first. Then, the suppliers of the goods and services for the general community such as hardware, automobile, grocery, and other retailers begin to suffer economically.

Normal short-term economic recessions are tolerated and planned for, but a depression of the present duration is not. This current trend has no end in sight. The study group found this situation to be universal throughout the area. This, combined with an already stressed health care delivery system in rural areas has seriously effected the rural population's ability to access primary care. That situation can only intensify in the months and years to come.

The study concludes, then, that at the present time, most rural areas are experiencing a dramatic shift toward an inability to pay for routine primary care services due to the current long-term agricultural economic depression. Results of the study further indicate that the effect of this has been 1) increased percentage of late presentation of health problems 2) increased stress-related diagnoses, 3) significant loss of provider income, 4) decreased utilization of non-acute health care.

This situation was reported universally, but in varying degrees of severity depending on the stage and length of agri-economic depression the individual area or region surveyed was experiencing. To illustrate, the region of southwestern Iowa was one of the first to experience the crunch and also the most severely effected.

Many of those communities' health care systems are in critical stage. One community surveyed had three very busy young family practitioners in 1981 and now have two barely surviving. They report greatly decreased utilization, increased accounts receivable and many patients who simply cannot pay for services. But, they also believe that most who can't pay do not seek service unless they absolutely have to, which explains the increased late presentations. The hospital in that town is barely surviving and the remaining physicians' future there is tenuous. This situation is rapidly descending on most of the rural areas of the region.

The effects experienced in this Iowa community are being duplicated in other communities throughout the region and are completely predictable. The glaring conclusion of this study, unfortunately, is that with the exception of a few communities, there is no solution in sight. The problem is created by the patient's inability to pay for services due to their inability to earn sufficient income. This is not a new problem to many of our population, but it is to the rural midwest. The difference is, of course, that there is no safety mechanism available to insure the populations access to health care. The local community obviously does not have the resources. The states do not Have the resources nor the ability, apparently. And, to date, Federal PHS resources for rural health have not been increased to respond to the problem.

The study group recommends that a PHS task force be established. Funds should be appropriated specifically for the health care assurance of the rural populations suffering from the economic crisis. Any communities' solution should emphasize system development to ensure viability.

This study group also recommends that action be taken to accurately assess the effects of the rural crisis on certain areas of the four states in order to select areas most likely to be severely effected. Subsequent to such area identification recruitment, networking, and program development should be concentrated on meeting the needs of those specific target areas.

Another positive action which is recommended is the establishment of a continuous primary care provider reporting network to be used to track the effects of measures taken to alleviate the problems and to provide predictive data to prevent negative situations from impacting negatively on the health care of rural residents of the region in the future.

The study group could find no data which would lead to the conclusion taht the rural economic situation would be reduced by natural economic effects before the 1990s. No prediction of the number of people adversely effected by the continuation of the situation for that length of time can be optimistic. It seems to the study group that regional level action to address this negative situation would be prudent.

The CHAIRMAN. Thank you very much. Rand.
[Full report retained in committee files.]

STATEMENT OF RAND D. CONGER, PH.D., ASSOCIATE DEAN FOR RESEARCH AND GRADUATE EDUCATION, PROFESSOR OF FAMILY AND CHILD DEVELOPMENT, IOWA STATE UNIVERSITY

Mr. CONGER. My name is Rand Conger. I'm from Iowa State University. My colleagues, Dr. Paul Lasley and Diane Flynn and I appreciate the opportunity to discuss with you some of our findings regarding the emotional and social cost produced by the current economic downturn in agriculture.

Our work certainly supports what you've heard here this morning. The present remarks will address findings from the most recent Iowa Farm and Rural Life Poll, and from a just initiated interview study of farm families.

Some analysts have predicted that as many has one-half of all farm families and many of the rural businesses that serve them will become financially insolvent over the next decade. This suggests that during the next several years, millions of individuals living on farms and in rural communities will experience increased risk for the emotional, physical, and behavioral problems that are known to be associated with economic hardship.

In Iowa and elsewhere it is younger farmers with children still at home who are particularly vulnerable to economic failure. Thus, the current situation will have a profound influence not only on the adults who fail economically, but also on the present generation of rural youth. It is our view that present conditions for farm and rural families emulate those experienced by families during the depression of the 1930's who raised children during a period of chronic economic hardship.

Recent work has shown that the disruption and turmoil created within many depression era families have long-term negative effects on marital relations, adult functioning, and developmental outcomes for children. The depression studies suggest that economic loss promotes emotional instability and marital or family conflict and that economic hardship appears to damage marriages and jeopardize the development of children in large part through these changes.

Approximately 1,700 respondents to the spring, 1986 Iowa Farm and Rural Life Poll provided the data needed to determine whether these processes are operating today for Iowa's farm families. In the poll, a common measure of financial distress, the ratio of farm debts to assets, was used to determine economic hardship.

In addition, respondents were asked how concerned they were about their farm's financial situation. Two measures of emotional stability were employed, one assessing anger, depression and frustration; the other the respondent's sense of personal control.

Although analyses of the data are as yet incomplete initial results are consistent with findings reported for families during the depression. Higher debt to asset ratios were correlated with higher concern for farm financial conditions. Debt to asset ratio and financial concern were associated with increased levels of psychological distress and decreased feelings of personal control.

It appears then that financial difficulties promote concern which reasonably leads to psychological distress and feelings of being less able to control one's fate.

How do these factors influence conflict in the family? Two questions were used to determine the level of marital and family conflict, and the findings at least partially supported the expected process. Respondent's reporting greater psychological distress were less likely to feel in control of their lives. They also experienced greater marital and family conflicts.

Thus, consistent with findings for depression families and I think consistent with what we've heard here this morning, farm families suffering economic hardship today report greater concern for their situations, more emotional distress, fewer feelings of personal control, and greater family conflict.

We expect that the long-term consequences of emotional stress and family conflict will be similar to the negative impacts of earlier times, which produced increased risk for marital difficulties, developmental problems for children, and many adults who never fully recovered their ability to deal successfully with the world.

Although the above findings are suggestive of a potentially destructive process related to economic hardship that involves concern, emotional distress, loss of control and family conflict, direct quotations from our interview study help to illustrate how farm family members view these difficulties.

For example, regarding financial concerns, one father noted, and I quote, "I guess it's a constant thing in my mind trying to determine whether or not that any expenditure is a necessity, or is it something maybe we can do without and still have a good relationship or a good family."

The couple in this particular farm family reported that try as they might, they were losing respect for one another as all of their emotional time was eaten up trying to eke out a living.

Regarding emotional stress and conflict, a 15-year-old boy stated, and I quote, "when we were applying for the FHA loan, that was hard for me and Dad. He couldn't sleep. He gained weight and everything."

Then he talked about school. "Like in the middle of class, you start thinking about that, losing the farm, and get all spaced out, or do it during study hall or something and don't get your homework done, and get yelled at."

In terms of personal control, a mother said, "I've said a couple of times that I felt I was like a bomb about ready to go off, I felt so stressed and hassled."

Taken together, the survey findings and interviews help to illustrate the role that economic hardship plays in diminishing family and individual well being. They demonstrate the constant concern with finances and economizing; feelings of loss, depression and frustration; the inability to control one's fate; and the conflict that arises when resources are so scarce that anger is the easiest available response.

In a sense, however, it does not seem unusual that serious deprivation and financial loss should produce angry and emotional responses that can lead to long-term problems. While it is important to document the cause of serious economic downturns, the most valuable lesson that could be learned from the current situation concerns those factors that enable a family or a community to deal successfully with serious economic difficulties.

Moreover, it is important to realize that the current situation is not a singular event. Similar economic problems will occur again in agriculture, as well as in other industries. The failure to study systematically adaptive strategies and their effect during the 1930's has made the task of coping with the present situation even more difficult. The present economic down turn will be even more tragic if we don't learn more about effective adaptations that can be employed during future swings in the rural and urban economies.

In discussing today's testimony, we came to two general recommendations that we would like to make as far as state and federal programs are concerned. First of course, is to institute immediate programs of economic assistance to help alleviate stress.

And second is to support research that will identify strategies that lead to success under economically difficult conditions. For example, coping strategies that help families remain strong even when farms are lost; communities that remain economically socially and politically viable when they are at high risk for decline, and rural youths who are able to realize their potential even with shrinking family and community resources.

Thank you.

[Prepared statement of Dr. Rand D. Conger follows:]

RAND D. CONGER, PH.D., PROFESSOR OF FAMILY AND CHILD DEVELOPMENT, PAUL LASLEY, PH.D., ASSOCIATE PROFESSOR OF SOCIOLOGY, AND DIANE K. FLYNN, FAMILY EXTENSION SPECIALIST, IOWA STATE UNIVERSITY, AMES, IA

Mr. Chairman and Members of the Committee

We appreciate the opportunity to discuss with you some of our findings regarding the emotional and social costs for rural families produced by the current economic downturn in agriculture. In a separate report Dr. Lasley has reviewed data from the Iowa Farm and Rural Life Poll which, since 1982, has been documenting the economic difficulties and concerns of Iowa farm operators. The present remarks will address findings from the most recent poll (Spring, 1986) which sought to establish a direct link between economic hardship, family functioning, and psychological well-being within farm families. We will also discuss some initial findings from a study just underway that attempts to bring new light to the survey data by interviewing at length rural families experiencing serious economic problems.

Background

There is little need to review here the evidence for what is clearly a crisis in Rural America. Indeed, the combination of technological change and a severely depressed agricultural economy has led some analysts to conclude that as many as one-half of all farm families will become financially insolvent over the next decade (Office of Technology Assessment, 1986). As these farm operators leave agriculture many of the rural businesses that serve them will also fail, creating severe financial difficulties for other families in rural areas as well. Thus, during the next several years, millions of individuals living on farms and in rural communities will experience increased risk for the emotional, physical and behavioral problems that are known to be associated with economic hardship (Horwitz, 1984; Kessler, Price, and Wortman 1985). There is growing evidence that this process is well underway in the

North Central United States, particularly in those states most dependent on agriculture (Lasley and Conger, 1986).

Given the predicted long-term nature of the problem, however, the farm crisis is probably better described as a chronic decline in the fortunes of many rural Americans. If the predicted scenario of farm failures occurs, as seems likely under present conditions, tremendous dislocations will be experienced by the communities and individuals involved. In Iowa, as well as in other areas (Heffernan and Heffernan, 1985), the farm operators most at risk for failure are around 40 years of age, have dependent children, and are above average in education (Jolly, 1986). In general they are relatively new farmers who began their farming careers at the wrong time in history when extreme fluctuations in land values, interest rates, and commodity prices placed even good farm managers at high risk for economic difficulties.

Because it is younger farmers with children still at home who are particularly vulnerable, the current situation will have a profound influence not only on the adults who fail economically but also on the present generation of rural youth. Present conditions for farm and rural families emulate those experienced by families during the depression of the 1930s who raised children during a period of chronic economic hardship. Recent work has shown that the disruption and turmoil created within many depression-era families had long-term effects on marital relations, adult functioning, and developmental outcomes for children (Elder, 1985). The research reported here was especially concerned with determining whether economically stressed farm families living in Iowa today are demonstrating the same syndrome of difficulties and adaptations as their depression-era counterparts.

Survey Findings

Analyses of archival data on families raising children during the 1930's by Dr. Glen Elder, University of North Carolina, and his colleagues have shown that economic hardship is associated with conflict in the family, especially over finances, as well as emotional instability. These factors, in turn, may increase marital tension and decrease the ability to parent effectively. This combination of emotional distress, family conflict, marital difficulties, and parenting problems places growing children at increased risk for developmental difficulties, some of which may have adverse consequences into adulthood (Elder, Caspi, and Downey, 1985; Liker and Elder, 1983). A key variable in this process is the degree of marital or family conflict that occurs. That is, economic hardship appears to damage marriages and jeopardize the development of children in large part through the family conflict and disagreement it promotes.

Approximately 1,700 respondents to the Spring, 1986 Iowa Farm and Rural Life Poll provided the data needed to determine whether economic hardship experienced by farm operators is producing the kind of emotional distress and family conflict reported for depression-era families. To our knowledge these are the first findings to report the direct association between degree of financial distress and family conflict or psychological functioning for a large, random sample of farm operators.

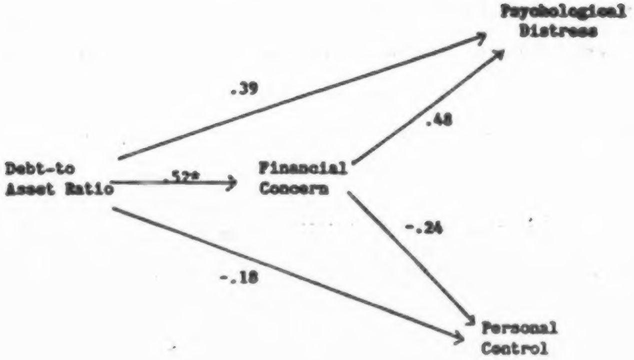
To determine financial distress or solvency each respondent was asked to report total farm debts and assets which are used to compute a debt to asset ratio; as this ratio increases the farm operation becomes increasingly at risk for financial failure. As debts increase relative to assets, we assumed that farm operators would become more anxious or concerned about their situation.

This growing concern should be an important part of the process in terms of economic distress influencing individual and family functioning. To determine the degree of concern we asked respondents..."how concerned are you about your farm's financial condition?" Possible responses were not concerned, slightly concerned, moderately concerned, and very concerned.

Another link in the process between economic hardship and family conflicts is emotional stability. Elder and his colleagues (1985) found that, especially for fathers, emotional difficulties associated with economic problems promoted tension in the marriage and conflicts with children. To assess emotional functioning respondents were asked several questions regarding the degree to which they were upset and frustrated (Table 1). The responses to these items were combined to produce a scale of psychological distress. The opposite of distress is the ability to control one's environment in a satisfactory fashion. Therefore, a second scale of personal control was also developed from the items contained in Table 1.

Although analyses of the data are as yet incomplete, initial results are consistent with findings reported for depression-era families. As shown in Figure 1, higher debt-to-asset ratios are correlated with higher concern for farm financial conditions. Debt-to-asset ratio and financial concern are associated with increased levels of psychological distress and decreased feelings of personal control.

It appears, then, that financial difficulties promote concern which, reasonably, leads to psychological distress and feelings of being less able to control one's fate. How do these factors influence conflict in the family?

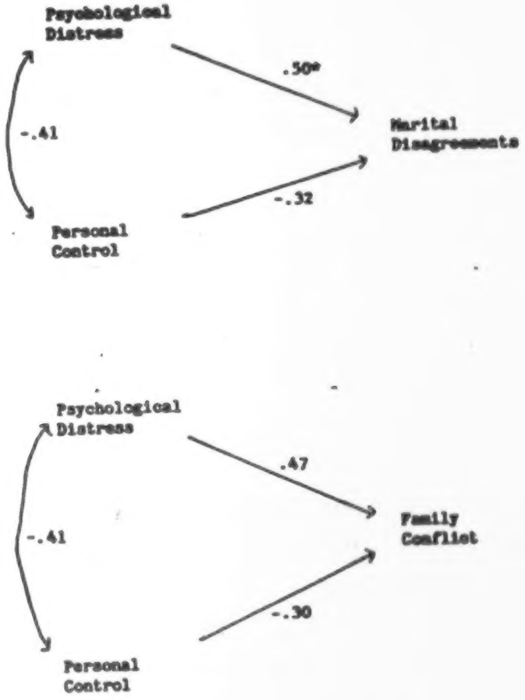

Psychological Distress
.39
.48
Debt-to Asset Ratio
.52*
Financial Concern
-.24
-.18
Personal Control

*The coefficients reported are product-moment correlations which can vary from -1.0 (perfect negative association) to +1.0 (perfect positive association). All correlations are statistically significant, $p < .001$.

Figure 1

Two questions were used to determine the degree of marital and family conflict: "My spouse and I seem to disagree with one another more than we used to" and "Members of our family have a harder time getting along with one another than they used to." Possible responses on a 5-point scale ranged from strongly disagree to strongly agree.

The findings reported in Figure 2 at least partially support the expected process. Respondents reporting greater psychological distress are less likely to feel in control of their lives. They also experience greater marital and family conflict. Thus, consistent with findings for depression-era families, farm families suffering economic hardship report greater concern for their situations, more emotional distress, fewer feelings of personal control, and greater family conflict. We expect that the long-term consequences of emotional distress and family conflict will be similar to the negative impacts of earlier times, which produced increased risk for marital difficulties, developmental problems for children, and adults who never fully recovered their ability to deal successfully with the world.


Psychological Distress
.50*
-.41
Marital Disagreements
-.32
Personal Control
Psychological Distress
.47
-.41
Family Conflict
-.30
Personal Control

*See Figure 1

Figure 2

Interview Findings

Although the above findings are suggestive of a destructive process related to economic hardship that involves concern, emotional distress, loss of control, and family conflict, it is difficult with a general survey to follow carefully how this process unfolds across time. Moreover, we are unlikely to learn from a survey about specific types of conflict or emotional distress, or about their duration and intensity. Interviews may also help to identify qualities of families or individuals that either prolong such problems or lead to their rapid resolution. To shed greater light on the day-to-day experiences of families experiencing severe economic difficulties, we have just begun to interview farm families in depth. Today we will discuss the interview results for the first 3 families with particular emphasis on how these interviews increase understanding of the survey findings.

The first 3 interviews involved 2 families that have experienced severe income loss and many adjustments in their farm operations but continue in farming. The parents in these families have high school educations. In both of these cases bankruptcy would likely already have occurred if the wives in the families did not have outside employment. The 3rd family has recently lost its farm and both the husband and wife, who both have graduate degrees at the masters level, have temporary off-farm employment while they seek more permanent positions. Interviews were conducted and video-taped at Iowa State University. Each family contained two adolescent siblings who were interviewed together. The mother and father were also interviewed together and, finally, the parents and two siblings were all interviewed at the same time. The separate interviews of couples and sibling dyads were conducted so that thoughts and feelings would be expressed more freely than in the parent-child situation.

Of importance today are some quotations from these families that provide specific illustrations of how these families have experienced financial concern, emotional distress, loss of personal control, and disagreement or conflict that were central to the survey findings.

Financial Concern

Mother, Family 1: "We applied for an FHA loan a year and a half ago... and we were denied it...that was a real tough time. Because...it was whether we were probably going to be farming or not again. That was quite a stressful time for all of us."

Father, Family 2: "I guess its a constant thing in my mind of trying to determine whether or not that (any expenditure) is a necessity or is it a need. Or is it something maybe we can do without and still have a good relationship, or a good family."

Daughter, Family 3: (on attempts to economize). "My friend had this pair of black shoes and they were really cute. And then the buckle broke off them and she was going to throw them away and I said 'wait a minute, I can fix that.' So I fixed it and she gave them to me. They're old shoes."

Emotional Distress

Older Brother, Family 1: "When we were applying for the FHA loan that was hard for me...and dad... He couldn't sleep. Gained weight and everything...(talking about school)... Like in the middle of class you start thinking about that (losing the farm) and get all spaced out... or do it during study hall or something and don't get your homework done and get yelled at."

Mother, Family 2: "I have this feeling that somebody somewhere is against us... I'm not as trusting... I get mad and just hold it inside."

Brother, Family 3: "Well, I don't know. I just kind of feel lost you see. Because ever since I've been little I was gonna be a farmer. Ya know, like dad and everything."

Loss of Personal Control

Older Brother, Family 1: "Well, at home I don't like it that we don't got the money to ever do very much. Like, you know, go out and eat... or something. Like dad said, we're lucky to go out about once a month."

Mother, Family 2: (talking about her employment) "I was part-time at that time and felt like I had a choice of...I could have stayed at home...but from about '82... I started working full-time... and don't feel I could quit working."

Mother, Family 3: "And I've said a couple of times that I felt I was like a bomb about ready to go off. That I felt so stressed and hassled."

Disagreement or Conflict

Father, Family 1: (talking about financing childrens' activities) "I suppose if ya had more money. Yes,...probably would change. But you don't have it and they argue with ya. They want it and you don't have it and you holler at them more."

Father, Family 2: "Oh, I think there've been more disagreements than were earlier... in our marriage simply for the fact of economics... it's quite regular really..."

Daughter, Family 3: "I think that everybody senses when mom and dad are tensed up or kinda worried about something. So at the dinner table everybody was kinda, almost careful. Kinda cautious, like walking on hot ground or something."

Conclusions and Recommendations

Taken together the survey findings and interviews help to illustrate the role that economic hardship plays in diminishing family and individual well-being: the constant concern with finances and economizing; feelings of loss, depression, and frustration; the inability to control one's fate even in so simple a matter as going out for fast food; and the conflict, or avoidance of interaction to prevent conflict (family 3), that arises when resources are so scarce that anger is the easiest available response. Assuming that this scenario is analagous to the experience of families during the 1930's, then we will expect to see during the next several years numerous casualties from the farm crisis, including severely damaged marriages and family relationships as well as long term developmental difficulties for both children and adults.

In a sense, however, it does not seem unusual that serious deprivation and financial loss should produce angry and emotional responses that can lead to long-term problems. While it is important to document the costs of serious economic downturns, the most valuable lesson to be learned from the current situation concerns those factors that enable a family, or a community, to rebound quickly in the face of serious economic difficulties. That is the ultimate goal of our present longitudinal study of families who we hope to interview on several occasions as they deal with the changes in rural America.

Moreover, it is important to recognize that the current situation is not a singular event. Similar economic problems will occur again in agriculture as well as in other industries. The failure to study systematically adaptive strategies and their effects during the 1930s has made the task of coping with the present situation even more difficult. The present economic downturn will be even more tragic if research is not conducted that will lead to more effective adaptations to future swings in the rural and urban economies. Particularly important is research that will identify strategies that lead to success under economically difficult conditions; for example, families that remain strong even when farms are lost; communities that remain economically, socially, and politically viable when they are at high risk for decline; and rural youth who are able to realize their potential even with shrinking family and community resources. Knowledge of successful adjustments or strategies for adapting to rapid change will provide the basis for dealing more effectively with downturns in the economy, or segments of the economy, that are a regular part of our lives.

Thus our first recommendation is that programs of research be funded that will improve our ability to deal with similar situations in the future. This research has several important characteristics:

1. It must address 1) a range of related issues from individual well-being (e.g., emotional distress, effective decision-making) to macro economic policy and 2) it must address the interrelationships between these issues.

2. It will involve several fields of study including human development and family science, rural sociology (rural communities), and agricultural economics (rural economy, macro economics).

3. It must be longitudinal so that the process and outcomes of changing events, conditions, and planned interventions will be better understood.

4. It must be capable of producing results that will assist in the solution both of immediate problems and problems created by long-term changes in the structure of rural life.

5. It will involve a variety of research strategies appropriate to the different social science disciplines involved and may include but not be limited to secondary data analysis, sample surveys, in-depth interviews, and case studies.

Research Directions

Several critical areas for social science reearch follow from the above discussion:

1. Studies should be undertaken to monitor for the next several years significant changes in individuals, families, communities, agricultural practices, and economic structures/policies as a function of changes in agriculture. For example,

   - To determine changes in the quality of life in rural communities important data include assessments of future plans and aspirations of rural residents, physical and emotional health, nutritional status, integrity of the family unit, rural family strengths, and strategies employed to cope with economic hardship/community change.

- Information on changes in political structure and orientation, economic development strategies, the tax base, age distribution in the population, and methods for providing human services are among the data to be collected on rural communities.

- Changes in agricultural practices and policies should be monitored including changes in cropping systems, government supports, international markets, farm finance, and investments in machinery and chemicals.

2. The impact of various adjustments or strategies for coping with current conditions in rural communities, as determined through the descriptive research outlined in point 1, should be assessed. For example,

   - It will be important to determine which approaches to solving problems and reordering priorities will lead to greater individual resilience and successful family functioning under conditions of economic stress. Indicators of successful coping strategies would include, among others, behaviors that reduce risk of divorce, emotional problems, alcoholism or drug use, school failure, delinquency, and family violence while promoting effective economic adjustments.

   - It will be imporant to determine which, if any, economic development strategies, political or social action efforts, or human service investments help to improve economic and social conditions in rural communities.

- The differential impact of alternative agricultural practices on future success in farming should be determined within varying environmental contexts such as geographic location and nature of the nonagricultural economy.

3. In addition to assessing the impact of adjustments and strategies for dealing with change by individuals, families, rural communities, and economic systems, interrelationships between these dimensions should be investigated. For example,

    - The influence of entrepreneurial activities at the household level on economic conditions in rural communities.

    - The effectiveness of advocacy at the community level on improving private and public investments in the local rural community.

    - The impact of national policies such as acreage set aside programs on development of the rural economy.

4. An integral part of the continuous monitoring of important changes in rural life should be the description and assessment of extension programming intended to assist farm operators, rural families, and communities; included within this research thrust will be the systematic incorporation and evaluation of new research information in extension programming.

It is important to recognize that these priorities for reserach should occur together with several steps that would help families successfully adjust to the changing agricultural economy. Approaches to be considered include:

Short Run (Crisis Intervention)

1. **Providing for Basic Needs**

   A. Food

      Food stamp eligibility

      Food pantries

      School lunch

      Commodity distribution

      Gardening programs

   B. Clothing

      Clothing Exchanges

      Clothes Closets

   C. Shelter

      Loans

      Low Income Housing

   D. Health Care

      Physical

      Mental Health Counseling - Family and Individual

      Pharmacy

      Travel Expenses

   E. Education

      Children

      Adult

2. Helping People Cope

   A. Access to Existing Services and Resources

Referral Hotlines

Agency Outreach

B. Emotional Support

Peer Support

Community Support

C. Mediation Service

D. Legal Counseling

Legal Services

Borrower Rights

Long Run (Re-Settlement)

1. Human Development
    - Job Retraining
    - Career Counseling
    - Re-establishing Credit
    - Re-location
2. Community Development
    - Public Work Programs
    - Retention and Expansion of Existing Businesses
3. Rural Development
    - Rural Industrialization
    - Value Added Processing
    - Cottage Industries
    - Self Employment Option

4. Agricultural Development
    - Diversification
    - Market Development
        - Domestic Markets
        - Export Markets

Some Other Ideas

1. Government Ownership of Land -- FLB and FMHA
    - Long Term Land Lease
    - State Purchase of Cropping Rights
    - Land Trusts
    - Homestead Exclusion Housing Needs
2. Moratoriums on Farm and Agribusiness
3. Minimum Pricing Legislation
4. State Purchase of Locally Produced Commodities
    - School Lunches
    - Hospitals, Nursing Homes, Prisons

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Table 1: Psychological functioning of farm operators[1]

In the last month, how often have you:	Never	Almost Never	Sometimes	Fairly Often	Very Often
* Been upset because of something that happened unexpectedly					
* Felt that you were unable to control the important things in your life					
* Felt nervous and stressed					
**Dealt successfully with irritating life hassles					
**Felt that you were effectively coping with important changes that were occurring in your life					
**Felt confident about your ability to handle your personal problems					
* Found that you could not cope with all the things that you had to do					
**Been able to control irritations in your life					
* Been angered because of things that happened that were outside of your control					
**Been able to control the way you spend your time					
* Felt difficulties were piling up so high that you could not overcome them					

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[1] These questions have been used in studies of stress among college students and participants in a smoking cessation program, and are reported in the Journal of Health and Social Behavior 1983, Vol. 24 (December):385-396 by Sheldon Cohen, Tom Kamarck and Robin Mermelstein. Single-starred items were combined to create an index of psychological distress; double-starred items were combined for a scale personal control.

Prepared Statement of Paul Lasley, Ph.D., Assistant Professor, Department of Sociology and Anthropology, Iowa State University, Ames, IA

Mr. Chairman, and Members of the Committee:

I appreciate this opportunity to testify and share with you some of the social consequences of the farm crisis. The data in this testimony are from my research and extension project, the Iowa Farm and Rural Life Poll. Several of my colleagues at Iowa State University have collaborated in this on-going project. I cite the contributions of my colleagues, however, I take responsibility for the presentation and interpretation of the data.

Introduction

In 1982, Iowa State University established the Iowa Farm and Rural Life Poll and since its establishment eight statewide surveys among random samples of active farm operators have been conducted. The surveys have been taken every six months, in August and February to monitor changes and provide timely information on agriculture and rural development issues to decision makers.

The surveys are conducted with active farm operators, that is, the farm families must be actively engaged in farming. We purposefully exclude absentee landowners, retired farmers and others who are not active in the day-to-day operation of the farm. Every attempt is made to insure the representativeness of the samples to the entire farm population of the state. The data are collected using mail questionnaires which farm families return in postage-paid envelopes. Each of the surveys include responses from approximately 2,000 farm families or about one out of every 55 farmers in the state.

I believe these data provide a comprehensive view of the farm crisis and the heavy human toll on farm families, which should be useful in your deliberations on forthcoming legislative issues.

SURVEY FINDINGS

Perceptions of the Seriousness of the Farm Crisis

In the first survey of approximately 1,900 randomly selected farmers conducted in 1982, it was evident that farmers were apprehensive about the future of the farm economy.[1] Fifty-four percent indicated they felt the overall economic prospects for Iowa farmers would become either somewhat or much worse in the next five years. Twenty-three percent felt the overall economic prospects would improve in the next 5 years and 23 percent were uncertain about the farm economy (Table 1). This question was also asked in the spring, 1984 and spring, 1986 surveys. In the spring, 1984, 52 percent felt the economic prospects would become worse. In the most recent survey completed in April, 1986, 63 percent of Iowa farmers felt things would continue to deteriorate in the next 5 years.[2]

Table 1. Iowa Farmers' opinions about the economic prospects in the next 5 years.

In the next 5 years, will the overall economic prospects for Iowa farmers	Become Much Better	Become Somewhat Better	Remain the Same	Become Somewhat Worse	Become Much Worse
spring, 1986	1	20	16	38	25
spring, 1984	1	20	27	41	11
fall, 1982	2	21	23	37	17

Another set of data which highlights the economic hardship faced by Iowa farm families are the responses to a set of questions on perceived financial conditions. When asked their opinions about the financial conditions of all farmers, 67 percent indicated in the fall, 1984 poll that farmers faced a very serious problem, and an additional 25 percent defined it as a moderate problem. In the spring, 1986 Iowa Farm and Rural Life Poll, nearly three-fourths of the 1,776 respondents (74%) indicated farmers face a very serious problem, and 19 percent indicated it is a moderate problem (Table 2).

Table 2. Perceptions of the farm financial condition.

Situation	Not Sure	Not a Problem	A Slight Problem	A Moderate Problem	A Very Serious Problem
	percent				
How do you feel about the current financial condition:					
of Iowa farmers?					
Spring, 1986	3	1	3	19	74
Fall, 1984	2	2	4	25	67
of agribusiness firms in your area?					
Spring, 1986	6	2	7	37	48
Fall, 1984	6	4	11	40	39
of financial institutions in your area?					
Spring, 1986	11	7	18	41	23
Fall, 1984	12	19	23	32	14

Similarly, farmers expressed high levels of concern over the financial condition of agribusiness firms in their communities. Seventy-nine percent of the respondents felt agribusiness firms were facing a moderate or very serious financial problem in the fall, 1984 poll, compared to 85 percent in the spring, 1986 survey.

When asked about the financial condition of local financial institutions, 64 percent of the farmers this spring felt lenders face a moderate to very serious problem. This compares with 46 percent who felt lenders had moderate or serious problems in fall, 1984 poll.

Farmers' concern is reflected in the question which was included in the fall, 1984 and spring, 1986 surveys "how concerned are you about your farm's financial condition?" In both surveys about 40 percent indicated they were "very concerned" and about 20 percent indicated they were moderately concerned (Table 3).

Table 3. Level of concern about own farm's financial condition

	Not Sure	Not Concerned	Slightly Concerned	Moderately Concerned	Very Concerned
	percent				
How concerned are you about your farm's financial condition?					
Spring, 1986	1	17	19	22	41
Fall, 1984	1	16	17	24	42

Behavioral changes: Purchases

In addition to these perceptual measures of the seriousness of the farm crisis, the surveys have attempted to document what types of behavioral changes farm families have made in response to the financial conditions. In the spring, 1983 poll of 2,293 farm families, it was evident that farmers were in a maintenance mode and were not planning for many new purchases or farm expansion.[3] Table 4 provides the distribution of farmers planning to make purchases of 11 common goods and services.

It is evident that farm families in early 1983 were not planning many major purchases.[4] Obviously as farm families have reduced expenditures, the local merchants have seen retail sales decline. Stone (1985) reports that between 1979 and 1984 the retail sales for the state declined by 18 percent in real dollars. In 1984, 61 of the 99 Iowa counties reported declines in retail sales that averaged a loss of $2.3 million per county.[5]

Table 4. Purchases planned for 1983

	Yes	No	Uncertain
	Percent		
Take at least a week's vacation	59	26	15
Buy a new car or pickup	13	72	16
Remodel part of house	12	82	7
Purchase a major household appliance	12	77	11
Build new livestock facilities	9	82	9
Make a major farm equipment purchase	9	83	8
Build a new barn or machine shed	7	83	10
Build additional grain storage	6	85	9
Buy a new tractor	4	92	5
Purchase a microcomputer	3	89	8
Buy or build a new home	2	95	4

Behavioral Changes: Lifestyle Adjustments

The spring, 1985 survey asked 1,900 randomly selected farm families what adjustments they had made in their family financial expenditures in the preceding 12 months.[6] Responses to the sixteen items provides further evidence of the seriousness of the farm crisis (Table 5). Many of the adjustments were expected, however the magnitude of the change shows widespread lifestyle adjustments. For example, nearly three-fourths of Iowa farmers reported they had cut back on social activities and entertainment expenses; nearly two-thirds reported they had postponed a major household purchase; 59 percent reported they had used savings to meet living expenses. Over-half the respondents reported they had changed transportation patterns, shopping and eating habits, reduced charitable contributions and household utility use. Nearly one-third (28%) reported they had sold possessions or cashed in their insurance. Twenty-seven percent indicated they had postponed medical care to save money during the past year. About one-fifth reported that a family member had taken an off-farm job. Eighteen percent reported they were buying more things on credit. Thirteen percent reported they had let their life insurance lapse.

Farmers also reported significant adjustments in their farm operations. Nearly three-fourths (72%) indicated they had postponed a major farm purchase during the preceding 12 months. Ten percent reported they had not been able to pay their property tax and 5 percent reported they had forfeited a land contract or mortgage and 5 percent had sold some land.

Table 5. Farm family adjustments during February, 1984 - February, 1985

Family Living Change	Yes	No
	---Percent---	
Cut back on social activities and entertainment expenses	72	28
Postponed major household purchase(s)	65	35
Used savings to meet expenses	59	41
Changed transportation patterns to save money	57	43
Changed food shopping or eating habits to save money	56	44
Cut back on charitable contributions	55	45
Reduced household utility use	53	47
Sold possessions or cashed in insurance	28	72
Postponed medical care to save money	27	73
Family member has taken off-farm employment to help meet expenses	22	78
Purchased more items on credit than we used to	18	82
Let life insurance lapse	13	87
Farm Changes		
Postponed major farm purchase(s)	72	28
Have not been able to pay property tax	10	90
Forfeited a land contract or mortgage	5	95
Have sold some land	5	95

The data presented in Table 5 document the magnitude of the adjustments that farm families have made in response to the farm crisis. As farmers have reduced their expenditures for farm inputs and household living, this has a major negative ripple effect on agribusiness and local mainstreet businesses. In more detailed analysis of these data, we have found a very strong relationship between farm families financial status as measured by debt-to-asset ratios and the number of adjustments they have made (Bultena, Lasley and Geller, 1985).[7] Those with D/A ratios greater than 70 percent had an average adjustment score of 8.6 compared to 7.5 for those with D/A ratios of 41 to 70 percent; 6.0 for those with D/A ratio between 11-40 percent and only 3.9 for those with D/A ratios less than 11 percent (Table 6).

Table 6. Farm Family Adjustments by Debt-to-Asset Ratio

	Debt/Asset Ratio			
	0-10	11-40	41-70	71+
Average Number of Adjustments	3.9	6.0	7.5	8.6

Future Farm Plans

The spring, 1986 survey of 1,776 Iowa farmers shows that more drastic adjustments are planned for the next two years (Table 7).[2] When asked their farm plans for the next two years, relatively few farmers were planning to expand their farming operations in the next two years. Sixty-nine percent of the respondents felt it was somewhat or very likely they would keep their farm operation the same during the next two years. However, a number of farmers are planning to reduce their farming operations through a variety of methods. Twelve percent indicated plans to sell out their operation in the next two years. Others plan to reduce their farm operation through selling some land (8%); renting less land (11%); or lose land through contract forfeiture (10%). Eight percent expect a foreclosure action to be brought against them; five percent are planning to apply for protection under Iowa's farm foreclosure moratorium, and three to five percent are planning to file for bankruptcy. In addition, seventeen percent indicated it was likely they would retire from farming in the next two years.

[redacted]

Table 7. Farm plans of Iowa Farmers for the Next two years (1986-88).

Within the next two years, how likely is it that you will:

Option	VL	SL	UN	SU	VU*
	percent				
Expansion					
Increase your farming operation through buying additional land	3	9	10	17	61
Increase your farming operation through renting additional land	7	20	14	17	42
Expand your farming operation by investing in new livestock facilities	2	5	8	18	67
Make a major equipment purchase such as a tractor or combine	3	11	11	21	54
Maintenance					
Keeping farming operation the same	37	32	15	10	6
Reduction					
Reduce farm operation through selling some of the land you own	4	4	10	14	68
Reduce farm operation by renting less land	6	5	14	19	57
As a seller, recover land sold under contract forfeiture	4	2	10	6	78
As a buyer, lose land through land contract forfeiture	6	4	10	10	70
Sell out your farm operation	5	7	16	16	56
Have a mortgage foreclosure action brought against you	3	5	9	15	68
Apply for protection under Iowa farm foreclosure moratorium	2	3	10	13	72
File for Chapter 7 bankruptcy (liquidation)	2	2	8	12	76
File for Chapter 11 bankruptcy (debt reorganization)	2	1	8	12	77
File for Chapter 13 bankruptcy (rehabilitation for persons with regular income)	2	1	7	11	79
Retire					
Retire from farming	9	8	15	15	53

*VL=Very Likely, SL=Somewhat Likely, UN=Uncertain, SU=Somewhat Unlikely, VU=Very Unlikely

THE SOCIAL CONSEQUENCES OF THE FARM CRISIS

Quality of Life

Since 1982, the Iowa Farm and Rural Life Poll has monitored perceptions of quality of life. There has been an increase in the proportion of respondents who feel that things have gotten worse over three surveys (Table 8). For example, when these questions were first asked in the fall 1982, one-third felt the quality of life for farm families had become better over the past 5 years, and 35 percent felt the quality of life of farm families had become worse. Comparing these findings with the most recent survey, one notes a considerable shift in opinion. In the spring 1986, only 5 percent reported an improved quality of life for farm families and nearly three-fourths (74%) felt the quality of life had declined.

A similar shift in opinion is present concerning the quality of life changes for respondents' own families. In 1982, 38 percent reported their own family's quality of life had improved over the past 5 years, compared to 16 percent in 1986. Similarly, 44 percent in the latest poll indicated their families' quality of life had declined in the past 5 years, compared to 25 percent in the 1982 survey.

There was less optimism expressed that farm families' quality of life would improve in the next 5 years in the 1986 survey. In the latest poll, 61 percent felt that the quality of life for farm families would decline in the next 5 years -- only 12 percent believed that the quality of life for farm families will improve. While respondents in the 1986 poll tend to be less optimistic about the future improvement of their own family's quality of life than in 1984, only 22 percent said it would improve compared to 28 percent in 1984.

Table 8. Perceptions of quality of life 1982-86.

Factor	Become Much Better	Become Somewhat Better	Remain The Same	Become Somewhat Worse	Become Much Worse
			percent		
During the past 5 years has the quality of life:					
for farm families in your community:					
spring, 1986	1	4	21	51	23
spring, 1984	4	20	34	34	8
fall, 1982	6	27	32	28	7
for your family:					
spring, 1986	3	13	40	34	10
spring, 1984	6	26	38	23	7
fall, 1982	8	30	37	19	6
In the next 5 years, will the quality of life:					
for farm families in your community:					
spring, 1986	1	11	27	44	17
spring, 1984	1	18	41	33	7
fall, 1982	2	18	38	31	11
for your family:					
spring, 1986	2	20	45	26	7
spring, 1984	3	25	49	19	4
fall, 1982	*	*	*	*	*

*Data not available

Stress

Our first attempt to quantify the level of stress among Iowa farmers was in the spring 1985 survey.[6] We asked three questions about the level of stress in their families, their personal level of stress and their concern about stress (Table 9).

Farmers in the survey expressed increases in the level of stress over the past three years. One-third (32%) indicated the level of stress in their families had greatly increased in the past three years. Thirty-nine percent felt stress in their families had slightly increased during the past three years. One-fourth (25%) felt the stress level had remained the same. Only four percent said the level of family stress had declined during the same time.

Respondents were asked to provide their assessments of how much stress they experienced on a day-to-day basis. Nearly one out of five (19%) said they experienced a great deal of stress and 42 percent acknowledged they experience some stress. One-third (34%) said they experience a little stress and five percent indicated they do not experience stress.

When asked how concerned they were about their levels of stress, nearly one-fifth (18%) indicated they were very concerned. An additional 23 percent of the farmers in the survey said they were moderately concerned. Thirty-six percent of the respondents indicated they were slightly concerned about their stress levels. The remaining 23 percent indicated they were not concerned about their stress levels.

Table 9. Perceptions of family stress - 1985

Over the past 3 years, would you say the level of stress in your family has:

	Percent
Increased greatly	32
Increased slightly	39
Remained the same	25
Decreased slightly	3
Decreased greatly	1

On a day-to-day basis, how much stress do you experience?

	Percent
A great deal	19
Some	42
A little	34
None	5

How concerned are you with your level of stress?

	Percent
Very concerned	18
Moderately concerned	23
Slightly concerned	36
Not concerned	23

This spring, working with Professor Rand Conger, we were better able to document the stress levels among Iowa farmers using a stress scale which has been used in other studies of high stress individuals.[8] The measures of stress and coping are presented in Table 10. These data show there is a sizeable segment of farm families that are experiencing high levels of stress.

About one-fifth (21%) reported in our latest poll that during the past month they have often been upset because of unexpected events. Approximately one-fourth (24%) felt they have often felt unable to control important things in their lives. Nearly one-third (31%) reported they have often felt nervous and stressed. Ten percent report they have not been able to deal with irritating life hassles. Seven percent reported they were not effectively coping with important changes that were occurring in their life. Six percent said they do not feel confident about their abilities to handle their personal problems. Nearly one-fifth (18%) said that during the past month they had not or seldom felt that things were going their way. Eleven percent reported they often found they could not cope with all the things they had to. Seven percent reported they had not been able to control irritations, and 15 percent reported they had not felt they were on top of things. One-third (32%) reported they had been fairly or very often angered because of things outside of their control. Sixty percent reported they often found themselves thinking about the things they have to accomplish. Six percent indicated they have generally not been able to control the way they control their time. Ten percent often felt difficulties were piling up so high that they could not overcome them and 30 percent indicated they sometimes had these feelings over the past month.

Table 10. Stress levels among farmers - Spring 1986[1]

In the last month, how often have you:	Never	Almost Never	Sometimes	Fairly Often	Very Often
			percent		
Been upset because of something that happened unexpectedly	7	22	50	16	5
Felt that you were unable to control the important things in your life	15	26	35	17	7
Felt nervous and stressed	8	21	40	21	10
Dealt successfully with irritating life hassles	3	7	41	40	9
Felt that you were effectively coping with important changes that were occurring in your life	2	5	41	42	10
Felt confident about your ability to handle your personal problems	2	4	29	46	19
Felt that things were going your way	3	15	51	25	6
Found that you could not cope with all the things that you had to do	17	38	34	9	2
Been able to control irritations in your life	2	5	33	47	13
Felt that you were on top of things	3	12	37	37	11
Been angered because of things that happened that were outside of your control	6	18	44	22	10
Found yourself thinking about things that you have to accomplish	1	4	35	41	19
Been able to control the way you spend your time	1	5	32	47	15
Felt difficulties were piling up so high that you could not overcome them	23	37	30	7	3

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[1] These questions have been used in studies of stress among college students and participants in a smoking cessation program, and are reported in the Journal of Health and Social Behavior 1983, Vol. 24 (December):385-396 by Sheldon Cohen, Tom Kamarck and Robin Mermelstein.

When the 14 indicators were aggregated into a summary stress scale, the average score was 23.7. The study indicates stress is a problem for many farm families. Five percent of the respondents reported stress levels of 10 or less, which are generally low (Table 11). Nearly one-third (28.6%) reported modest stress levels which we interpreted as score between 11 and 20. Nearly one-half (46.8%) of the respondents reported moderate stress levels between 21-30. The remaining one-fifth (19.5%) had high stress levels which we defined as 31 or higher.

Table 11. Summary of stress scale - Spring, 1986

Score	Number of Respondents	Percent of Respondents
0-10	86	5.1
11-20	476	28.6
21-30	778	46.8
31-40	291	17.5
41 or more	33	2.0
	1,664	100.0

Family life among Iowa farm families

Dr. Conger and I were also interested in assessing the extent to which farm families felt that social and familial relationships were deteriorating because of the farm crisis. While further analysis remains to be conducted on these data, we are releasing them today because of their relevance to these Hearings.

The respondents in the spring, 1986 poll were also asked about social relationships within their community and family (Table 12).

Seventy percent of the respondents felt that there is more disagreement and tension between married couples now-a-days. Almost one-half of the respondents

(49%) agreed that children are having more problems at school than they used to. Respondents were divided in their assessments as to whether friends and neighbors seem to have more conflict these days. Forty-three percent agreed, 25 percent were uncertain and 32 percent disagreed with this statement.

One-third of the respondents agreed that people they know just don't get along as well as they used to. Forty-one percent disagreed with this statement and 26 percent were uncertain. One-fourth of the respondents (28%) agreed that "these days children and young people in the community get into a lot of trouble." Forty-seven percent disagreed and 25 percent were uncertain that young people get into a lot of trouble these days.

When asked about their own families, about one-fifth (21%) acknowledged they and their spouse seem to disagree more than they used to. Nine percent of the respondents felt their children are having more problems at school than they used to.

Twelve percent agreed they seem to have more problems or conflicts with their neighbors these days. Nearly one-fifth (18%) agreed that "members of our family have a harder time getting along with one another than we used to." Six percent felt their children are getting into more trouble than they used to.

These results dispell the commonly held perception of rural tranquility. Iowa farm families see important social problems within their own communities and within their families. Also, it is apparent that respondents are more likely to perceive problems within their community than within their own families. However, about one-fifth of the respondents acknowledged more disagreements with their spouse and increased difficulty in family members getting along with each other. Unfortunately, there are no comparative data available to assess how these results may differ from other groups.

Table 12. Perceived social problems among rural families.

We hear a great deal about increasing tension and problems between people during the last couple of years. We would like your opinions about what is actually occurring. Thinking about your community would you agree or disagree that:

Statement	Strongly Agree	Somewhat Agree	Uncertain	Somewhat Disagree	Strongly Disagree
			percent		
There seems to be more disagreement and tension between married couples now-a-days	21	49	19	9	2
Children are having more problems at school than they used to	12	37	33	14	4
Friends and neighbors seem to have more conflicts these days	10	33	25	26	6
The people I know just don't get along as well as they used to	7	26	26	30	11
These days children and young people in this community get into a lot of trouble	5	23	25	35	12

Now, thinking about your family, would you say that:

Statement	Strongly Agree	Somewhat Agree	Uncertain	Somewhat Disagree	Strongly Disagree	Doesn't Apply
			percent			
My spouse and I seem to disagree with one another more than we use to	5	16	9	22	37	11
My children are having more problems at school than they used to	2	7	8	17	17	49
We seem to have more problems or conflicts with friends and neighbors these days	2	10	11	25	45	7
Members of our family have a harder time getting along with one another than they used to	4	14	8	24	42	8
It seems my children get into more trouble than they used to	1	5	7	16	38	33

Sources of support for farm families

Dr. Conger and I also attempted to assess the level and adequacy of emotional and financial support for farm families. Questions focused on the extent to which farm families were receiving adequate support from six possible sources (Table 13).

Nineteen percent judged family support as very adequate and nearly one-half (47%) felt family support was somewhat adequate for farm families. One-fourth (25%) were uncertain about the adequacy of family support and 9 percent felt family support was inadequate.

Church support was ranked second in providing for the emotional or financial needs of farm families. Nineteen percent judged church support as very adequate and an additional 42 percent felt church support was somewhat adequate. One-fourth were not certain about church support for farm families and 15 percent felt church support was either somewhat or very inadequate.

Support from friends and neighbors was judged as either very or somewhat adequate from 56 percent of the respondents. Nearly one-third (29%) of the respondents were uncertain as to the adequacy of emotional or financial support that farm families receive from friends or neighbors.

Human service agencies and local voluntary organizations were judged as either very or somewhat adequate sources of support by 41 percent of the respondents. One-third of the respondents (34%) felt schools were very or somewhat adequate sources of support.

Sources of support for own family

When respondents were asked how much emotional or financial support they or their family had received from these sources of support, 27 percent reported they had received a great deal of support from their family. Twenty-five percent indicated they had received a moderate amount of family support, 19 percent reported they had received a small amount of support and 29 percent reported they had not received any family support.

Thirty-seven percent reported they had received a moderate or great deal of either emotional or financial support from a church. Nearly an equal proportion (41%) reported they had not received any church support.

Friends and neighbors had provided a great deal of support for just 12 percent of the respondents. The majority of the respondents reported they had not received any emotional or financial support from either schools, local voluntary organizations or human service agencies. The data indicate there is a sizeable proportion of farm families who are not receiving any support or only a small amount of support from these six sources which suggest a large void in rural communities.

Table 13. Adequacy of support for farm families.

During these difficult times many farm families are searching for sources of emotional or financial support. We'd like your opinion on the extent to which farm families in your community are receiving adequate support from the following sources.

Source	Very Adequate	Somewhat Adequate	Uncertain	Somewhat Inadequate	Very Inadequate
			percent		
Family	19	47	25	7	2
Church	19	42	24	9	6
Friends and neighbors	12	44	29	11	4
Human service agencies	8	33	44	10	5
Local voluntary organizations	7	33	42	13	5
Schools	7	27	46	14	6

Now considering your own situation, how much emotional or financial support have you or your family received from the following sources?

Source	None	A Small Amount of Support	A Moderate Amount of Support	A Great Deal of Support
			percent	
Family	29	19	25	27
Church	41	22	22	15
Friends and neighbors	38	27	23	12
Schools	68	18	11	3
Local voluntary organizations	72	16	10	2
Human service agencies	74	15	9	2

SUMMARY AND CONCLUSIONS

Taken as a composite picture, these data from eight statewide surveys of Iowa farm families portray an overwhelming crisis in farming. However, it is a crisis that goes well beyond the farm gate. It strikes at the foundation of rural communities by threatening the existence of many local lenders, agribusiness and mainstreet merchants. However, it is more than just a financial crisis--it is a crisis of rural people. The data I've presented document the human toll on individual farmers, farm families and communities.

The high levels of stress, the acknowledged family tensions, the reduced quality of life and the inability or unavailability of adequate social and emotional support suggests that rural and farm life is being greatly changed. The data document the deterioration in social relationships--a tearing of the social fabric of rural America.

Let me add that while all the data presented are from Iowa, after recently chairing a meeting of researchers and extension workers from each of the 12 North Central states, I don't believe Iowa is unique. The requests for assistance from other states outside the region suggests that all agricultural regions are experiencing many of the same problems.

Behind the numbers of these surveys are the human tragedies--while either unreported or ignored, they are never-the-less real. Every day Iowa State University Cooperative Extension Service receives requests for assistance from families, community leaders, state agencies and concerned people who are either facing different problems or are trying to help others cope with the problems. For example, last month (May, 1986) Rural Concern, the ISU Extension Services referral hotline received 846 calls from desperate people. Last year over 12,000 calls were handled by the crisis hotline.

The problem is of such magnitude that it has overwhelmed the abilities of many individuals and communities to deal with it. I do not believe that agriculturally dependent communities have witnessed as much human hurt since the Great Depression. It would be interesting to compare the conditions of rural America today with the findings of the Presidential Commission on Rural Poverty published in the report, The People Left Behind.[9] I suspect that we would find that for many rural people, conditions have not improved.

As we reflect on the future of rural America, it is imperative that we address who will be the future farmers, residents and leaders in farm communities. What kind of people will result from the experiences of the last few years? How will the farm crisis be reflected in tomorrow's rural communities? What will agriculture and rural society look like as we move into the 21st century? These are troubling questions. I applaud your Committee for examining the impacts of the farm crisis on children, youth and families -- for they are the building blocks for tomorrow's rural society.

Thank you for inviting me to this important Hearing.

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Chairman **Miller**. Thank you very much. Roger.

STATEMENT OF ROGER HANNAN, CODIRECTOR, FARM RESOURCE CENTER, CAIRO, IL, ACCOMPANIED BY HARRY CECIL, PH.D., CODIRECTOR, FARM RESOURCE CENTER, METROPOLIS, IL

Mr. **Hannan**. Thank you, Mr. Chairman. Dr. Cecil and I will share our allotted time for testimony.

My name is Roger Hannan. I'm am codirector of the Farm Resource Center and my office is located at 1001 Washington, in Cairo, IL.

The Farm Resource Center is a funded entity to carry out Governor Thompson's Stress Country Style Program in Illinois. The agriculture scene in Illinois is not remarkably bad; however, those farmers and farm families in trouble are needing a variety of services to help them through the transition to other ways of life.

There are, according to a recent survey by the Illinois Department of Agriculture, 11.2 percent of the 90,000 farms in Illinois that have a debt to asset ratio of 69 percent or higher, a ratio which is generally considered to be an unmanageable debt.

Stress Country Style is an outreach crisis intervention program that has an 800 number for easy access for farm families. As mental health administrators designing this program, we knew that farmers and farm families were not using mental health services and weren't likely to unless it was presented to them through an outreach approach.

We have 18 outreach workers for the State of Illinois. During the first 3 weeks of the program, the outreach workers did a select needs assessment survey of cooperative extensions, lenders, agribusiness, ministers, farm organizations such as farm bureau and farmer's union and others, real estate brokers and ASCS offices. We sought to get their perception of what was happening in the farm community.

A total of 1,191 interviews were completed throughout the State. Using a scale where zero represents no effect, and nine represents a great deal of effect, 53 percent rated the effect of the rural crisis on their community at a six or above. When asked how much stress has increased, using the same scale, 50 percent indicated six or above. Over one-third indicated that their own stress levels had increased to a level of six or above.

When asked what resources come to mind to deal with stress, church and pastor was noted nearly 30 percent more often than mental health. Sixty-eight percent felt that those resources were well known to the average person. However, 68 percent indicated that farm families did not likely make use of these resources. Denial and pride were given as reasons.

Seventy-eight percent said that they had had contact with farm individuals experiencing severe emotional stress while only 34 percent indicated that they had had contact with individuals suffering from severe alcohol or drug abuse.

This provides a backdrop to our program. And now Dr. Cecil will present some information on the clinical findings to date.

I have also provided to the committee staff copies of the fact sheet on innovations in agriculture, the financial counseling, stress counseling, and legal assistance program that is in existence in Illinois and would appreciate those being included in the record.

Chairman MILLER. Without objection, that'll be done.

Thank you. Dr. Cecil.

Mr. CECIL. Thank you, Mr. Chairman.

My name is Harry Cecil and I am director of the Massac County Mental Health Center, but I'm also codirector of this project, farm stress, and I also have another qualification in that I was raised on a cotton farm. To this day, I will not wear cotton garments because I remember all too well what it felt like to farm.

I don't remember the peaceful bucolic scene that people talk about on the farm. But one of the things that I noticed as a mental health director is that I did not feel our system was really equipped to deal with the farmer and the farm family. It was obvious when you look at the percentage of the case load that were farmers versus nonfarmers.

We set about with this project because one of the things that we're also concerned about statistically is that we see the incidents of suicide and other personal disfunctions such as alcohol abuse and so forth, rise dramatically during an economic downturn. That seems to be the major factor that influences those kinds of trends.

And we felt it was very important to present a program that was going to be used and that's why we have developed a very concentrated outreach program that gets the workers, the professional people out in the community to deal specifically with the farm families so they begin to identify the problems.

If I may share with you, a personal incident that I had when I was on call: A farm wife had called me; she was very upset; it was very early in the morning. Her husband had already gone out to the barn; she was sharing with me—this was in the spring—that it was very unlikely that they would get an operating loan for the crops, and yet the husband had never talked to her about this. Even though it was obvious from talking to the bankers earlier that it was very unlikely that this was going to happen.

Unfortunately, the wife was on her way to work to earn an income to support their habit on the farm and yet she was trying to figure out how she was going to confront the husband with the information because that was going to be a major emotional scene.

I think it's very important in the process of testifying here to understand that when we talk about unemployment, that's one thing, but when we talk about working and not earning or not being productive that is is another thing. And that's what's happening on the farms that is creating inordinate stress; namely, that there's a tremendous amount of manpower that's being exerted without any hopes really that there's going to be a return.

So I think it's very important in the process of presenting testimony to share with you that we are seeing extremely high rates of suicide in adjacent States. The information is not presently available in Illinois, but in Kentucky and Missouri, we've seen incidents of suicide increase significantly on the farm versus the urban population.

If I could give some advice to this panel, it would be first of all that perhaps the National Institute of Mental Health and the National Institutes of Health—and by the way, I think the stress-related issues of even physical health problems have been understated many times—need to look at farm issues in terms of developing new intervention strategies in the agricultural community to deal with the ripple effect of what stress is doing to our farm families.

I'm particularly interested in the worst case scenario which is suicide and homicide or the combination of those events. Obviously, that's the worst thing that could happen and we want to prevent that. But I do think that the other area that we've got to address is a whole issue of what's happening to the farm family in terms of other dysfunctions such as higher divorce rates, dysfunctions within the family, drug abuse among the children, and other kinds of problems.

If we can accomplish this, and also be more successful in perhaps linking human mental health and other services that traditionally serve our community, so that they are more effective in serving the farm community that, heretofore, in our survey has been resistant to the idea of getting help from these agencies.

I think that we can do a lot toward fighting what I consider to be a major tragedy. In summary, I feel like if we can accomplish this, then none of us will have to look back with regret at ignoring the tragedy of the 1980's, namely the death, literally and figuratively, of the American farm family.

So on that note, I do appreciate the opportunity to talk to you.

Chairman Miller. Thank you. William.

[Prepared statement of Roger Hannan and Harry Cecil follows:]

PREPARED STATEMENT OF ROGER W. HANNAN, CO-DIRECTOR OF THE FARM RESOURCE CENTER, CAIRO, IL

My name is Roger W. Hannan. I am co-director of the Farm Resource Center, and my office is located at 1001 Washington, Cairo, Illinois.

The Farm Resource Center is the funded entity to carry out Governor Thompson's Stress: Country Style Program in Illinois.

The agriculture scene in Illinois is not remarkably bad, however, those farmers and farm families in trouble are needing a variety of services to help them through a transition to other ways of life. There are, according to a recent survey by the Illinois Department of Agriculture, 11.2 percent of the 90,000 farms that have a debt to asset ratio of 69 percent or higher--a ratio which is considered to be unmanageable.

Stress: Country Style is an outreach crisis intervention program that has an 800# for easy access for farm families. In designing this program, we knew that farmers/farm families were not using mental health services and weren't likely to unless it was presented to them through outreach. We have 18 outreach workers for the state.

During the first three weeks of the program, the outreach workers did a select needs assessment survey of CES, lenders, agri-business, ministers, farm organizations (i.e. Farm Bureau, Farmers Union, etc.), real estate brokers, and ASCS. We sought to get their perceptions. A total of 1191 interviews were completed throughout the state. Using a scale where 0 represents no effect and 9 represents a great deal of effect, 53 percent rated the effect of the rural crisis on their community 6 or above. When asked how much stress has increased using the same scale 49.6% indicated 6 or above. Over one-third indicated their own stress levels had increased to level 6 or above. When asked what resources come to mind to deal with stress, church/pastor was noted nearly 30 percent more often than mental health. 68 percent felt that these resources were known, to well known, to the average person. However, 67.9 percent indicated farm families would not make use of these resources-denial and pride were given as reasons. Seventy-eight percent said they had had contact with farm individuals experiencing severe emotional stress while only 34.2 percent indicated that they had had contact with individuals suffering from severe alcohol and/or drug abuse.

This provides a backdrop and now Dr. Cecil will present some information on the clinical findings to date.

PREPARED STATEMENT OF HARRY CECIL, PH.D., CO-DIRECTOR, FARM RESOURCE CENTER, METROPOLIS, IL

Testimony for the Select Committee on Children, Youth, and Families.

My name is Dr. Harry Cecil. In my portion of the testimony, I would like to focus on the Clinical Aspect of Stress: Country Style; and what our experiences is telling us in the rural area.

#1: The Farm place, with all of its mystique of peace and tranquility, has always been a highly stressful place to live and work.

#2.: The Farm Family, though some might claim otherwise, is subject to the same problems as any other family in society; e.g., behaviorally disordered children, clinically depressed wives and alcohol abusing males.

#3: That stress, on the farm particularly at its present inordinate level, is creating dramatic increases in suicide rates, and concomitant increases in other Dysfunctional Behavior.

#4: That farm families, because of their physical and cultural isolation, can more successfully hide and deny problems; and are resistive to outside interference.

In the first few months of our project, the 24 Hour Crisis Line has fielded in excess of 1,000 phone calls, 40% of which are crisis calls from farm families. Of these, 50% have requested and are receiving face-to-face contact.

Our first priority is to stabilize the existing crisis. However, our experience has been that linking the farmer and family with financial, legal, job retraining, foodstamp, and other ancillary services has proven extremely beneficial in resolving the issue of stress that brought the client to us in the first place.

Finally, by using the Aggressive Outreach Format, we are able to reach those families that, heretofore, have escaped notice.

Our experience, at this point, indicates that our services are being used more and more by Cooperative Extension, Legal Assistance, Dislocated Farmers Project, etc. because workers are recognizing stress issues of their clients. The cooperative atmosphere in Illinois, to keep farmers from "Falling Through the Cracks," has been exemplary.

Over the past few months, we have seen a steady increase of Direct Service Hours as the project becomes more recognized and acceptable.

Utimately, we would like to smooth the way for the farming community and the human services to meet in order to promote more acceptance by the farm families and more flexibility on the part of the service agencies.

If we can accomplish this, none of us will have to look back with regret at ignoring the tragedy of 1980's; namely the death, literally and figuratively, of the American Farm Family.

ADDENDUM TO PREPARED STATEMENTS OF ROGER HANNAN AND HARRY CECIL, PH.D.

COPING WITH AGRICULTURAL STRESS - EMOTIONAL AND FINANCIAL:

THE ILLINOIS EXPERIENCE

The past few years have been difficult ones for farmers across the nation. Declining land values, falling prices, and shrinking export markets have resulted in increased stress - financial and emotional for many farm families.

In Illinois, state government is not only helping farmers survive the financial pressures they face by creating debt restructuring and financial counseling programs but also to survive the emotional and psychological stress which threaten them. Consistent with Governor Thompson's pledge to work to save Illinois farm families, Illinois has developed a comprehensive initiative of cross-referenced and complementary farm stress programs to help farmers and farm families through these difficult times.

These programs result from the Innovations in Agriculture legislative package passed by the Illinois General Assembly and signed by Governor James R. Thompson in the fall of 1985. Innovations in Agriculture provided for the creation of legal assistance, financial assistance and stress counseling programs for needy Illinois farm families.

A summary of Illinois' programs for coping with farm stress follows.

ILLINOIS ALCOHOLISM AND DRUG DEPENDENCE ASSOCIATION

Program Summary and History

The Illinois Alcoholism and Drug Dependence Association (IADDA) is a statewide, non-profit organization which serves on the advisory committee for the farm stress programs, representing substance abuse service providers.

In Illinois, alcohol and other drug abuse prevention/treatment services are provided by private, non-profit substance abuse programs, counselors in mental health centers and hospital chemical dependency programs. However, these community-based services have not always been utilized by many farmers who have alcohol/drug problems. Many farmers are reluctant to seek alcohol/drug counseling. The Cooperative Extension Service and other groups working with farmers saw the need to include substance abuse treatment as one part of the farm stress programs to ensure that farmers and their families would be referred for counseling whenever they sought help for stress and showed evidence of alcohol/drug problems. In addition, the Farm Resource Center outreach counselors are expected to refer troubled farmers and their families to community treatment programs.

Funding

The Illinois Department of Alcoholism and Substance Abuse will provide approximately $63.4 million in fiscal 1987 to make prevention/treatment services available across the state. Eighty-four percent (84%) of the funding ($53.2 million) comes from the Illinois' General Revenue Fund and the remainder is from the Federal Block Grant funds.

Program Objectives

The primary objective for treatment programs serving farmers and their families is to help the alcohol/drug dependent person and his/her family recognize that alcohol and/or other drugs are creating family problems and to help them begin the process of recovery. The treatment program activities available to farmers and their families vary across the state, however, basic components include:

1) accepting referrals from Farm Resource Center outreach counselors and providing a thorough assessment of the alcohol/drug problem;

2) providing education and counseling; and

3) offering an orientation to Alcoholics Anonymous and Al-Anon.

Program Activities

In order to ensure the Farm Resource Center outreach counselors would be able to handle calls from people with substance abuse problems, IADDA assisted in planning the Farm Resource Center's Fiscal year 1986 training program to include information about:

- alcohol/other drug abuse and dependence symptoms;
- family dynamics of addiction;
- intervention/referral procedures; and
- identification of treatment resources.

In Fiscal Year 1986 IADDA provided information about the farm stress program to the substance abuse field.

During Fiscal Year 1987 IADDA will encourage the Farm Resource Center to document referrals to alcohol and drug abuse treatment centers as well as instances where waiting lists for alcohol/drug services hamper the referral process.

Case Study

The Human Service Center offers a support group for family members of developmentally disabled individuals. Within such a group, one woman expressed concern about a family member who was voicing suicidal thoughts. She identified farm financial problems as the chief cause of that person's problem and expressed a willingness to participate in family counseling.

The Human Service Center counselor contacted the Farm Resource Center for assistance because the counselor realized that the family needed concrete answers in addition to crisis intervention and family counseling. The Human Service Center counselor and outreach counselor conducted a joint home visit to the woman and her family. As a result, the family obtained financial/legal assistance for its financial problems as well as continued family counseling for the emotional/stress problems they were experiencing.

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FARM RESOURCE CENTER

STRESS: COUNTRY STYLE

Program Summary and History

The catalyst for the creation of the farm stress counseling program in Illinois was the comments of a Western Kentucky legislator in February 1985. The idea of providing stress counseling to farmers rapidly gained support in Illinois and by March, Governor Thompson's Office was hosting meetings to examine the proposal for a Stress: Country Style program. By hosting the meetings, the Governor's Office provided credibility to the program promoters when they extended invitations to other key players to join in the discussions concerning the development of a farm stress program in Illinois. A concerted effort was made to engage key policymakers in the areas of mental health, alcohol and substance abuse, Cooperative Extension, economic development, the Department of Agriculture and statewide associations for mental health in these discussions.

Another factor influencing the creation of the Stress: Country Style program was the Farm Aid Concert which took place the weekend after the final program proposal was presented to Governor Thompson's Chief of Staff.

During the publicity and fanfare surrounding the Farm Aid Concert, the Governor met with farmers, farm leaders, and others to discuss ways to impact the problem in Illinois. At one meeting the Governor heard an empassioned plea to include a mental health component in any proposal he presented to the legislature. When the Governor checked with his staff, he was given the Stress: Country Style proposal to consider. After he reviewed it, it was accepted and placed in the Governor's Innovations in Agriculture 1985 legislative proposal.

Stress: Country Style is formulated on the premise that farmers and farm families must be reached in their own environment. The program consists of a statewide 800 crisis line number to provide around-the-clock assistance to farmers as well as a "face-to-face" outreach component. The Stress: Country Style program has 18 outreach counselors to work towards crisis resolution with farmers and farm families across the state. In order to maximize the organizational structure of the program, outreach counselors are matched with the nine

Illinois Cooperative Extension regions. Each outreach counselor serves a number of counties within a Cooperative Extension region. This programmatic structure allows Stress: Country Style to provide troubled farm families with 24 hour immediate access to counselors as well as same day on site attention that personal crises demand.

The Illinois Association of Community Mental Health Agencies (IACMHA) has been an important coordinator of the Stress: Country Style program. IACMHA served as the convenor and facilitator of the steering committee which helped create the Stress: Country Style program. IACMHA also supports the operation of the program by providing day-long educational meetings focusing on farm stress issues, the farm crisis and the Stress: Country Style program across the state. The Association has additionally produced television and radio spots as well as brochures on farm stress issues and the Stress: Country Style 800 assistance hotline service.

Funding

To enhance acceptance of this program by farmers and farm families, the State of Illinois funds Stress: Country Style through the Illinois Department of Agriculture. Thus, it can honestly be stated that this is an agricultural intervention effort. The program was funded for its first eight months at a level of $763,000. The first eight months of funding included $160,000 for public service announcements, brochures, and training workshops for community mental health centers and cooperative extension advisors. The balance of the $603,000 appropriation was for the direct service components of the program.

Program Objectives

The major programmatic objectives of the Stress: Country Style program are:

1) to provide an intervention strategy to prevent farmer suicides and other major dysfunctional behavior;

2) to educate the farm community to the appropriateness of utilizing human service programs in the same manner as the non-rural population; and

3) to encourage the existing mental health and substance abuse agencies to become more oriented in their service delivery to the needs of farm families.

Program Activities

During the first three weeks of activity, the outreach counselors interviewed cooperative extension staff, ministers, bank lenders, agribusiness owners, farm organizations, and real estate and governmental agencies. A total of 1,191 interviews were completed throughout the state.

These interviews were designed to acquire baseline data on farm families' perceptions of stress and mental health programs. It also disseminated information about the Stress: Country Style program to the people who have the most frequent contact with farm families. The interviews additionally helped the outreach counselors become more familiar with their own agri-communities.

Brochures, posters, and informational materials have also been distributed at a variety of farm-related gatherings. This is an on-going program activity geared toward enlisting support of the rural community, opening referral mechanisms, and increasing community awareness to the depth of the farm stress problem.

During the first five months of the program there has been a steady increase in direct service contacts. Over 1,100 calls have been received through the 800 number hotline, with 40% of these actual crisis calls. Sixty percent of the calls came from the farmer himself and 40% from members of the farm family other than the farmer himself.

Case Study

Joe, 64, is a recent widower, living alone on a family farm of 400 acres. He is living in the modest frame farm house in which he was born. Joe drives a ten year old vehicle and operates 30 year old farm equipment that he maintains himself.

Joe had open heart surgery four years ago with no health insurance, and is paying it off each month. He also had previous surgery for which he has had to pay for personally. Joe lives off social security and his farm is mortgaged to FmHA and a local bank. Joe owes $150,000 and has not been able to make his full payments the last two years. Joe's crops were destroyed by a June flood and he has had to replant three times. Later, drought further harmed his replanted crops. Joe farms his 400 acres by himself against his doctor's advice but he cannot afford help.

On one loan to FmHA, Joe is paying 16% interest. This interest rate cannot be reduced. Joe's request to have his loans restructured by FmHA has been denied. He has appealed this decision. The appeal hearing was held at the end of June and he is awaiting response.

Stress: Country Style's contact with Joe came through a community referral. Our assessment of Joe was that he was depressed, angry, anxious and was having difficulty sorting out his options. Stress: Country Style assisted Joe in reviewing resources and options available to him. Rural Route was contacted, he was encouraged to apply for food stamps and referred to Illinois South, a regional advocacy and assistance organization, which provided some Farm Aid money and assisted him in preparing for his appeal with FmHA. Joe has also been in contact with his Congressman. Joe has become better able to make the decisions he must make during the next several months through his participation in the Stress: Country Style program.

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ILLINOIS EMPLOYMENT AND TRAINING PROGRAM FOR DISLOCATED FARM FAMILIES

Program Summary and History

Illinois benefited from the existing Job Training Partnership Act network in developing an employment and training program to serve dislocated farm workers and families. When the need to offer employment and training services to the farm population emerged, Illinois had a program in place that could begin serving eligible farm families and farm workers immediately. However, a major portion of the JTPA employment and training funds allocated for dislocated workers in Illinois were either expended or were designated for expenditure for dislocated workers already enrolled in the program. This allowed little opportunity for new enrollees, including farm individuals, to participate in the current program. Therefore, the State of Illinois funded an employment and training program specifically for farmers.

Funding

Illinois' employment and job training program for farmers is funded by a $2 million General Revenue Fund appropriation.

Program Objectives

The objective of the job training program is to assist farmers gain job training and experience and thereby assist them in transitioning from on-farm to off-farm employment.

Program Activities

Through the existing JTPA network the dislocated farm worker may receive employment and training services such as assessment and testing of skill levels; vocational, personal, and financial counseling; resume writing assistance; job search training; job interview preparation; classroom training for a new job or "refresher" training for a familiar skill area as well as on-the-job training opportunities.

Presently, Illinois has 19 dislocated worker centers throughout the state that are capable of providing employment and training services to dislocated workers and their farm families. Seven of the 19 dislocated worker centers have specific dislocated farm family and other farm worker programs funded from the GRF monies. There are four (4) other JTPA Service Delivery Areas (SDA) that also have specific dislocated farm family and other farm worker programs and are located in areas of the state that have been determined to have the greatest number of potential dislocated farm families. The 11 programs together plan to serve 1,100 farm individuals.

Case Study

Paul was the sixth and last generation to work his family farm. This twenty-nine year old man grew up with the goal of working next to his father and grandfather in their grain and livestock farming business. Unfortunately, his family lost its farm.

When Paul entered the dislocated worker program he was depressed, disillusioned and operating under a heavy sense of guilt. Although college educated in farm management, he felt guilty that he was not able to save his family's farm.

Paul attended Black Hawk College's assessment class which give him direction in retraining, market research and decision making. He then attended Black Hawk College for computer programming and moved off the farm to Moline, obtaining a part time job. In the Spring of 1985, he completed twelve semester hours of study, receiving straight A's. He accomplished this in spite of a recurring eye problem due to diabetes. Between the spring and summer semester, Paul had surgery to remove one eye. In spite of these difficulties, he went back to school and to work within a week after surgery. Paul is keeping his positive attitude and is enjoying life. Paul has praised the dislocated farmers program in assisting him to move ahead with his life.

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ILLINOIS FARM LEGAL ASSISTANCE FOUNDATION, INC.

Program Summary and History

Many Illinois farmers are unable to afford necessary legal services to deal with special legal needs arising from the difficult farm economy. The Innovation in Agriculture program authorized the Department of Agriculture to make a grant to the Illinois Farm Legal Assistance Foundation to provide legal assistance to these Illinois farmers.

In October 1985, a member of Governor Thompson's legal staff, Carl Draper, requested an appearance before a regular meeting of the Board of Governors of the Illinois State Bar Association (ISBA). Mr. Draper described the need for a legal services program for the state's farmers and asked for ISBA involvement if legislation could be passed.

The ISBA Board of Governors agreed and relied on its Agricultural Law Committee to participate with government entities in developing a program proposal.

Also before passage of legislation, the ISBA Agricultural Law Committee and ISBA staff drafted articles of incorporation and bylaws for the Illinois Farm Legal Assistance Foundation. Once legislation was passed and signed, the ISBA Board of Governors approved the creation of the Illinois Farm Legal Assistance Foundation (IFLAF) and ratified ISBA President Fred Lane's appointment of the seven-member Board of Directors.

The Foundation's initial concern was the implementation of the lawyer referral service as quickly as possible. The Board of Directors met on January 2 and adopted a service level of up to seven hours per eligible farmer and a compensation for participating lawyers at $45 an hour. The program included a $5 an hour charge to the farmer after the first hour of counseling at no charge.

The Foundation was then ready to tackle the monumental task of quickly developing the rules and application for lawyer participation, public information material and the necessary referral forms and voucher. All of this material had to be in place before the farm lawyer referral service could accept its first phone call.

ISBA staff prepared drafts and redrafts of these items for review by the Board at the many meetings held for this purpose. Final drafts were finally ready at the end of January. Large quantities of the Farm Lawyer Referral Service (FLRS) brochures were printed in record time for mailing to lawyers and farmers and to be able for the Cooperative Extension Service Telenet program on February 6 describing IFLAF, Rural Route and the Farm Resource Center.

While the process of obtaining a toll-free phone line, computer equipment and other necessary facilities at the Illinois Bar Center was progressing, the interviewing process was also underway for hiring and training a staff person to answer the FLRS phone which was scheduled to begin service February 7.

The Farm Lawyer Referral Service officially began operation February 7, 1986, and responded to 43 calls the first day.

Funding

The Illinois Farm Legal Assistance Foundation is funded through the Illinois Department of Agriculture. For the first half year of its existence the Foundation received an appropriation of $750,000. The Foundation has committed $500,000 for payment of lawyers for services rendered to farmers under the program.

Remaining funds are allocated for the purposes of training lawyers, legislative analysis, the development of library and informational materials and other projects.

Program Objectives

The objective of the Illinois Farm Legal Assistance Foundation is to provide low cost, professional legal advise to Illinois farmers in need of counsel due to financial and other difficulties.

Program Activities

A farmer meeting the eligibility requirements for the program may receive up to seven hours of legal services in a 12-month period from a participating lawyer. The first hour is free to the farmer, and the remaining six hours will be provided to the farmer at a charge of not more than $5 an hour. The participating lawyer received $45 an hour from IFLAF.

To be eligible to receive services from the Foundation, a person must meet all of the following requirements:

1. be a resident of the state of Illinois;
2. be a farmer (a farmer is a person who had gross income from farming on last year's tax return of not less than 60%);

3. have a debt-to-asset ratio of 50% or greater; and

4. have need for lawyer consultation because of pending or anticipated legal action due to financial problems arising from farming.

A farmer may choose a lawyer he or she knows as long as the lawyer has signed up to participate in the program or be referred to a lawyer participating in the program by the Farm Lawyer Referral Service (FLRS).

Lawyers who wish to participate in the program must agree to provide the seven hours of legal services as described above, must be in good standing before the Bar of Illinois and must carry professional liability insurance. A signed application is required. A participant-lawyer shall not receive more than $4,000 from IFLAF in a 12-month period, and a law firm shall not receive more than $12,000 from IFLAF in a 12-month period whichever is less.

Contact must be made with the FLRS by the farmer or the lawyer so that the necessary information and certification reports can be processed. Once a referral has been made, the farmer receives a confirmation notice and the public information brochure. The lawyer receives the certification report which must be completed and returned before a voucher is provided.

The FLRS is open Monday through Friday, 8:30 a.m. to 4:45 p.m. By calling the toll-free number (800/352-7878), the farmer (or lawyer) reaches the FLRS clerk who is able to provide direct service to the caller. The farmer is given the eligibility requirements and asked if he/she meets those requirements. If the farmer indicates he/she meets the eligibility requirements, an explanation of the seven hours is given. The farmer must then give his/her name, address and social security number. The farmer is asked if there is a particular lawyer he/she wishes to consult. If the lawyer requested is a participating lawyer, the farmer is advised to contact the lawyer advising he/she has been referred by the FLRS. If the lawyer requested has not signed up for the program, the IFLAF will contact the lawyer to determine if he/she will participate or make a referral. If the farmer does not know a lawyer he/she wants to see, the FLRS will select a participating lawyer for the farmer.

A confirmation notice and brochure are mailed to the farmer, and a certification report is mailed to the lawyer. The lawyer is required to return the certification report within 14 days indicating if the farmer is eligible and if services will be provided under the program. Vouchers are sent to the lawyer upon receipt of the certification report indicating eligibility. The voucher must be returned for payment. Seven hours of service of $315 is encumbered once a referral is made and until the certification is returned indicating ineligibility or the voucher is returned indicating number of hours provided no further services are to be provided.

From February 7 through May 30, 1986, a total of 1,309 calls were received with 697 of those calls resulting in actual referrals. Of the 555 certification reports returned, 453 farmers have received the full seven hours of services and 63 farmers have received 255.49 hours of service, and 24 will receive additional services up to the full seven hours. A total of 967.25 hours have been paid or $13,526.47. In addition to the hours paid, 3,029.63 hours or $136,333.37 is still encumbered.

The lawyer response to participation in the program has been excellent. A total of 694 lawyers in 90 counties signed up for the program.

The types of calls received ranged from farmers who have never used a lawyer before to those who are already involved in lengthy foreclosures or bankruptcy proceedings. In the first weeks of operation, the IFLAF experienced calls from farmers who just wanted to know how the program worked. More recently farmers seem more inclined to proceed immediately with the referral. There seems to be more willingness on the part of farmers to obtain legal assistance because of this program. The vouchers returned by the lawyers demonstrate efforts to provide a wide range of services including alternatives to bankruptcy, the development of financial statements and review and negotiation of loan agreements. A review of vouchers returned indicates that many farmers will likely require legal assistance beyond the seven hours provided under the program, and some farmers' problems can be resolved in less time. As time goes on, more and more vouchers returned are for the full seven hours.

Lawyers spending time with farm clients referred through the Service only to discover there is a conflict of interest or the need to refer the farmer to a more experienced lawyer are many times providing that time at no charge to the farmer or to IFLAF. One lawyer has provided seven hours of services to two clients in a "rather fragile restructuring process" and has advised IFLAF that substantially more time will be involved for which he does not expect to bill the clients.

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ILLINOIS COOPERATIVE EXTENSION SERVICE RURAL ROUTE PROGRAM

Program Summary and History

Illinois farm families continue to experience severe financial problems caused primarily by low commodity prices and high interest rates. The value of farm land has decreased and this change also has had its impact on financial statements, and consequently, on the ability of farmers to secure adequate credit. These problems are compounded by a lack of understanding of financial records, procedures for evaluating investments, and personal financial planning. There is a critical need for educational programs which will improve the financial management skills of farm operators. However, financially distressed farmers tend to avoid public settings where farm financial matters are discussed, even those educational meetings designed to help them deal with their problems. Different strategies have to be employed if these farm families are to be helped.

The catalyst that helped to create the Illinois Cooperative Extension Service program called Rural Route was an $87,500 competitive grant from the Extension Service, USDA. The grant made it possible to begin the innovative approach that ICES has used in working with financially distressed farm families. The program began March 1, 1985.

Funding

The Illinois Cooperative Extension Service is funded by the State of Illinois through annual appropriations in addition to money received from the federal government and from local cooperating groups. The specifically earmarked funding received by the Illinois Cooperative Extension Service from the State of Illinois for the support of Rural Route for the current (1987) fiscal year totals $500,000.

Program Objectives

The objectives of the Rural Route program of the Illinois Cooperative Extension Service are to:

(1) improve the financial planning and decision-making capabilities of Illinois farm families and to help farm families to set attainable goals;

(2) assist farm families in dealing effectively with farm financial stress;

(3) facilitate coordination of public services to financially stressed farm families;

(4) provide legal education to attorneys involved in helping financially stressed farm families resolve legal problems; and

(5) to provide legal alternatives information to farmers in financial difficulty.

Program Activities

The programmatic components of Rural Route are many and include:

Rural Route Hotline

ICES operates a toll-free telephone answering service. Persons calling the Rural Route hotline receive confidential assistance from regular members of the professional field staff of the Cooperative Extension Service. A professional staff member in Champaign-Urbana commits one half time to the coordination of hotline activities. One or two Extension advisers (depending on the anticipated volume of calls) come to campus each working day from their regular field assignments to handle hotline calls. The scheduling of staff is handled by the hotline coordinator, although individual staff members participate in this assignment on a voluntary basis. Approximately two full-time equivalent staff members have been required to staff the Rural Route hotline over the past 16 months. Issues arising during the calls are either handled by the advisor on the spot or a referral is made. Preliminary information obtained during the incoming call is relayed to a field counselor either at one of four regional Farm Financial Stress Centers or to an adviser in a county Extension office.

Upon receiving these referrals, the staff makes arrangements with the farm family for face-to-face counseling sessions. If the subject of the call coming to the Rural Route Hotline appears to be such that the caller should be helped first by a stress counselor associated with the Farm Resources Center, arrangements are made for the person to be called by a stress counselor. If the issue appears to be primarily one that should be dealt with by personnel of the Illinois Farm Legal Assistance Foundation, similar arrangements are made to refer the caller to that service.

The total number of calls received on totaled Rural Route Hotline from March 1, 1985 to June 30, 1986 totaled 2,017; an average of 126 calls a month or 6 calls each working day of the project. Some 1,553 (77%) of these calls were referred to the regional Farm Financial Stress Centers, to county Extension offices or to others. The remainder of the calls were dealt with by the advisers who answered the incoming calls.

Regional Farm Financial Stress Centers

Four Financial Stress Centers have been created at the existing regional offices of the Illinois Cooperative Extension Service in Macomb, Benton, Dixon and Springfield. Four professional advisers with a high level of expertise in farm financial counseling have been employed to give leadership to the activities out of these centers. County Extension Advisers in Agriculture and Home Economics rotate into the centers on a need basis to assist the Financial Stress Counselors in working with clientele. The regional stress centers were set up to accommodate the anticipated need of farm families for confidentiality. It was felt that many farm families would prefer going to a place where they would not likely be known. It was thought that they would prefer meeting with Extension staff members who were not their regular contact persons.

The Illinois Cooperative Extension Service also continues to operate counseling services in county offices and at its regional financial stress centers. A survey is currently being tabulated on the counseling activities of ICES professional field staff. These data will be available during FY 1987. In excess of 100 farm families have been assisted through one-on-one counseling at the Benton Center and approximately 600 assisted at the Macomb Center. The other two centers are just beginning their operations.

Counselors have helped farm families to prepare and analyze financial statements, to explore alternative strategies for restructuring debt, cost containment and off-farm employment, establish attainable farm and family goals and deal with personal and family stresses and emotional needs.

Financial Counseling in County Extension Offices

The roughly 100 county offices of the Illinois Cooperative Extension Service have been designated as places for distressed farm families to write, call, or visit to receive assistance and financial counseling. Farm families may visit a county office other than the one in their county. In some cases, advisers arrange to visit them at their farm.

A considerable amount of one-on-one counseling has taken place both in county offices and in the offices of State Extension Specialists. A survey is being conducted currently by the ICES Impact Evaluation Specialist to ascertain with some accuracy just how much counseling is taking place. Early estimates place the number having received direct counseling assistance in excess of 2,000 farm families. More accurate data will be available later in FY 1987.

One adviser has reported on intensive counseling with 33 farm families. He made some follow-up contacts with 29 of the families. Of this total, 22 indicated that they were being forced to resolve their financial situation. Seven reported that they were concerned about their financial situations, but that no one beyond their farm was forcing them to do anything about it. The actions taken by the 22 farm families were a direct response to pressure from creditors. The pressure included expressed possibilities of foreclosure, refusal of credit, refusal of services or sale of production inputs and refusal to allow continued use of leased land.

Farm families who received counseling took action shortly after the counseling concluded. Six had moved to resolve their problems within one week after the counseling. Fourteen took their first action within a month of the counseling. The other nine took action within three months. All 29 decided to do something to improve their situations following the counseling. It is believed that these statistics are representative of the experience of the entire counseling program.

Farm Business Farm Management Services (FBFM)

The Illinois Coöperative Extension Service has approximately 30 professional staff members who assist cooperating farmers in keeping and analyzing their farm business records. An additional 40 FBFM Fieldmen, who work directly for the associations, also conduct similar activities. Summaries of farm business records provide an important source of information for research reports prepared by the college. Although this activity is not formally thought of as being part of Rural Route, FBFM data provide the basis for much that is being taught on farm financial management to financially stressed farm families. FBFM serves as a referral point for farmers into Rural route activities and the FBFM staff also participate in appropriate ways in the various counseling and teaching activities.

Workshops, Short Courses and Seminars

The Illinois Cooperative Extension Service provides a variety of workshops, short courses and seminars at strategic places around the state each year. A number of these activities deal with the issues of farm financial management, family stress and family resource management. As such, they may be considered to be a part of the Rural Route program. The intent of the group activities is to provide farm families the skills they will need to manage their farm businesses and effectively utilize their farm resources in the years ahead.

Master Farm Accountants

The problem of one-on-one counseling, and even to some extent group teaching, is that too few people are reached. This can be dealt with to some degree with publications and self-paced teaching materials. But complicated tasks such as those involved in farm financial management are not likely to be accomplished without some outside intervention. ICES has had considerable success over the years in using volunteer teachers to extend its outreach.

Thousands of adults give of their time to make the 4-H program possible. Likewise, Master Gardeners and Master Canners in many counties volunteer their time to the Extension Service so that others may benefit from their expertise. CES provides special training to these individuals as well as a variety of support services.

The Rural Route program is expanding its outreach to farm families by the creation of a corps of Master Farm Accountants who will serve on a volunteer basis. The program has been pilot tested in two Illinois counties to date. The intent is to reach approximately 10,000 farm families in group teaching settings. Farmers are being taught by these volunteer Master Farm Accountants how to prepare balance sheets, income statements and cash-flow projections in workshops entitled "Your Financial Condition."

Preparation of Teaching Materials

A normal responsibility of the more than 80 full-time equivalent subject-matter specialists of the Illinois Cooperative Extension Service is preparation of teaching materials. These take a variety of forms, including single-concept fact sheets, publications, slide sets, audio tapes, video tapes and computer programs. All of these are in addition to the development of teaching manuals for use by the Extension field staff and other professionals. Preparation of teaching materials in support of Rural Route activities is essential to the success of the total project.

Legal Education

An additional focus of the Rural Route program is legal education. The legal education program within Rural Route provides information to farm families on legal aspects of farm businesses. It helps them to understand some of the legal alternatives available to financially stressed farm families. It provides information in separate educational settings to a farm clientele as well as to attorneys who want to keep up with the latest developments in their field. Rural Route staff also refer clientele to the services of the Illinois Farm Legal Assistance Foundation.

The Rural Route program depends for the most part on the permanent staff of the Illinois Cooperative Extension Service. Three full-time field staff members and one part-time person have been added to the basic field staff. One computer programmer has been employed in the central computer office and 1.5 full-time equivalent support staff has been added to the Department of Agricultural Economics. A half-time coordinator for the Rural Route hotline has been employed. The majority of Rural Route work is being carried on by existing staff. This is one of the major accomplishments of the project and is possible because of massive shifts in the priorities of the staff and the organization. It has succeeded because substantial amounts of in-service education were provided to the field staff by state extension specialists and by other specialists associated with cooperating groups.

The Rural Route program focuses on people and families not farms. Some Illinois farms will be lost, but this does not mean that families need be lost. It appears from records of counseling sessions that the following estimates are holding true:

> Approximately 10 percent of the farm families who come for help have debt problems that are being resolved by rescheduling their indebtedness.
>
> Approximately 50 percent of the farm families counseled can resolve their financial problems through a combination of activities including careful budgeting, rescheduling of debt, cooperation of financial institutions and legal guidance.
>
> Approximately 35 percent of the farm families served are in really serious financial difficulty. It is not likely they will be able to continue in farming.
>
> Approximately 5 percent of the farm families counseled are already in bankruptcy.

Case Study

When a grain and livestock farmer first contacted Rural Route, his operation had recorded farm operating losses of $108,500 in the previous two years. Interest expenses were 44 percent of the value of farm production.

With the help of Rural Route financial counselors, the family decided to sell 150 acres for a total gross sale value of $352,500. The family also was able to renegotiate a lower interest rate on its remaining land.

Working with Rural Route counselors, the family has come to realize that farm cannot support three families (parents and their two sons). Other employment alternatives are being explored. The family also has begun a detailed analysis of the swine operation. Rural Route counselors report that the chances of this farm family being able to remain on the farm have been greatly enhanced.

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PROGRAM COORDINATION AND INTERACTION

A unique and innovative feature of the Illinois response to the agricultural stress problem confronting many of the state's farmers is the coordination and interaction of the financial, personal and legal services offered by the state to farmers.

The Illinois Alcoholism and Drug Dependence Association, the Farm Resource Center, the Department of Commerce and Community Affairs, the Illinois Farm Legal Assistance Foundation and the Illinois Cooperative Extension Service are not only all apprised of each other's actions and programs but are also actively refer clients to each other's services. Coordination between the programs is often enhanced by organizational overlap. The Stress: Country Style program, for example, utilizes the same regional boundaries as the Illinois Cooperative Extension Service which helps the two organizations interface. The 800 crisis number operated by the Farm Resource Center has the addresses, telephone numbers and the names of the appropriate contact people for the other support agencies involved in fighting agricultural stress. Program coordination in the agricultural sector in Illinois also extends to programs not listed in this report. The JTPA dislocated worker/farmer training program administered by the Department of Commerce and Community Affairs for example, cooperates with a multitude of additional agencies also involved in the areas of worker/farmer retraining.

This cooperation and coordination ensures that the farmers and farm families in Illinois are made aware of the multitude of services available to them and also guarantees that the total needs of farmers are met without unnecessary bureaucratic duplication of services.

STATEMENT OF WILLIAM L. DEADMOND, VICE PRESIDENT, IOWA-ILLINOIS HEALTH CARE ALLIANCE

Mr. DEADMOND. Thank you, Mr. Chairman.

I'm Bill Deadmond, vice chairman of the Iowa-Illinois Health Care Alliance.

On behalf of the Alliance, thank you for the opportunity to present to you information contained in our recently completed study of the health care needs of the unemployed in our area. The Alliance is the designated health systems agency for three counties in western Illinois and two counties in eastern Iowa.

Our area has been particularly hard hit by the recession in the agricultural and farm implement industries. The Alliance determined that it would be appropriate to assess the impact of the economic situation on the health status of those who have lost their jobs, including their access and use of health care services.

Therefore, with support from local government, labor, employers, and health and human services providers, the Alliance conducted a year-long study of the extent of unemployment in the area, health resources available to the unemployed, and the impact of unemployment on a person's health and access to services. The impact of unemployment obviously affects not only the unemployed individual, but spouses, children and other family members as well.

Perhaps the most interesting find of the study was the differences in response to our survey from those who were unemployed a year or less—and we've referred to those as the short-term unemployed—and those who were unemployed for 3 years or more—the long-term unemployed. The people responding in both categories were generally in the same age group for the most part, ages 30 to 39, with average income of $10,000 or less, had school aged children and were white males.

While most had health insurance while working at the time of the survey over half reported no insurance. More of the long-term unemployed lacked health insurance than the short-term unemployed who were likely to still be covered from the previous employers. Of those who still had insurance, most reported that their coverage was not as good as when they were working.

Health status also suffered because of unemployment and perhaps lack of health insurance resulting in delays in seeking health care. This finding recently was verified by our hospital administrators who reported that the uninsured tend to delay seeking care until their condition is so severe that they require lengthy, costly hospitalization. More of the long-term unemployed reported their health as being fair or poor, than did the short-term unemployed. Twice as many long-term unemployed reported that their health had gotten worse since they lost their jobs. They also reported a higher incidence of chronic health conditions.

These results correspond to a lessened tendency to have health insurance, reported changes in sources of health care due to unemployment and less frequent use of services. Most respondents reported having deferred spending for other things in order to pay for health care.

The major problems in the Quad Cities area do not appear to be related to access to physicians or hospital care. All indications are that the physicians and hospitals in our area continue to be willing to care for those who cannot pay. However, many unemployed are either unaware of this, or because of pride are delaying seeking services.

Our study did reveal a need to expand mental health stress reduction and support group services for the unemployed. Transportation to care was an issue in rural areas as was financial access to primary health care and prevention services. More information about available resources was cited as a need in all five counties. The greatest access issue, however, was that of paying for prescription drugs, eyeglasses hearing aids, dental care, and so on.

I would consider this the major problem area exclusive of the broader issue of health insurance coverage for the medically indigent.

After all, a child with bad teeth due to lack of dental care or improper nutrition has a handicap for life. A child who cannot read because of poor vision cannot learn in school. An adult who has high blood pressure but cannot afford the medication may be dead. An unemployed parent, frustrated with attempts to find a job, may lose all hope and could kill himself or take out his rage on his family. We are surrounded by these problems all of which ultimately are economically based.

Our study estimates that there are 60,000 to 80,000 persons in our five-county area directly affected by the unemployment; one out of every four to five people. This number will grow in the next few months with the closing of two local J.I. Case plants and the inevitable ripple effect. More people are moving daily from the short-term unemployed category to that of the long-term unemployed, with a resulting negative impact on health status and access to services.

Efforts now are underway to implement our study's recommendations. Many things we can do ourselves, but for others, we need your help. Action must be taken at the State and national levels. We are concentrating on better use of available local resources since we know that there is little likelihood of major new Federal and State programs to assist us. However, we cannot alone solve the health insurance question, nor can we finance the cost of needed health services and products not now covered by private or public insurance. We cannot make up for the deep cuts being experienced by human services.

A copy of the recommendations contained in our study is attached to your copy of this statement. We need your help with some. Please consider seriously the need to develop a national health policy addressing the growing problem of medical indigency. We ask for assistance in resolving the complex issue of how to pay for nonphysician or hospital services including prescription drugs, eye care, dental care and other related services.

We ask you to reaffirm the need to invest in people by looking carefully at the deep cuts being taken by the human services programs. At a time when the needs in this area have never been greater, agencies providing these services to extremely needy people are being forced to severely curtail programs or even go out of business entirely.

Surely the gap between the haves and have-nots is growing greater. I am aware and concerned about the critical need to reestablish fiscal control over national expenditures. However, I do not believe that this should be done at the expense of the most disadvantaged in our midst. Finally, I ask your support for legislation that will continue the national health planning program now scheduled for extinction on September 30. Without this program of which the Alliance is a part, there will be no voice in the community to raise up the health care issues such as those identified in our recent study. Our efforts are being duplicated by like agencies throughout the country and merit your support.

I thank you for the opportunity to represent the Alliance here today. We welcome the opportunity to work with you in partnership to address the health care problems so evident in our area.

[Prepared statement of William Deadmond follows:]

PREPARED STATEMENT OF WILLIAM L. DEADMOND, VICE PRESIDENT, IOWA-ILLINOIS HEALTH CARE ALLIANCE

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Efforts now are underway to implement our study's recommendations. Many things we can do ourselves, but for others, action must be taken at the state and national levels. We are concentrating on better use of available local resources since we know there is little likelihood of major new federal or state programs to assist us. However, we cannot alone solve the health insurance question; nor can we finance the cost of needed health services and products not now covered by private or public insurance. We cannot make up for the deep cuts being experienced by human services.

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I thank you for the opportunity to represent the Alliance here today. We would welcome the opportunity to work with you in partnership to address the health care problems so evident in our area.

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RECOMMENDATIONS

The primary considerations of the Task Force in developing recommendations were that the recommendations fit the identified needs and that the recommendations be feasible. To that end, the recommendations focus primarily on expanding the effectiveness of existing resources rather than trying to establish new services. In addition, the recommendations are designed to foster cooperation and coordination among health and human service providers, recognizing that resources are too limited to allow fragmentation and unnecessary duplication of services.

A. INFORMATION AND REFERRAL SERVICES

1. Efforts should continue to acquaint the public with the Information, Referral and Assistance Service as a primary contact for entry into the health and human service systems in Rock Island and Scott Counties.
2. The circle chart of health and human services prepared by the Bi-State Metropolitan Planning Commission should be distributed throughout the area, particularly to health and human service agencies, local units of government, churches, union halls and schools. Circle charts should be developed for all five counties in the area.
3. The feasibility of identifying a single agency in Henry, Mercer and Muscatine Counties to serve as the information and referral center for each county should be investigated.

B. ACCESS TO MEDICAL CARE AND HOSPITALIZATION

1. Greater publicity should be given to the Physician Referral and Obstetrics Referral Services for Rock Island County as sources of primary medical care.
2. Agencies which refer clients for medical care in Rock Island County should be encouraged to utilize the Physician and Obstetrics Referral Systems as primary referral points for Rock Island County residents, while continuing to recognize Community Health Care, Inc., as an additional resource for care.
3. The feasibility of establishing Physician Referral Services in Henry, Mercer and Muscatine Counties should be explored.
4. Policies of local hospitals regarding the provision of services to the medically indigent and collection of bad debts should be clarified so that social service providers, physicians and others working with the unemployed can provide them with information in the event hospitalization is necessary.
5. The feasibility of developing low cost insurance plans or risk sharing pools should be explored.

C. ACCESS TO SERVICES OTHER THAN THOSE PROVIDED BY PHYSICIANS AND HOSPITALS

1. The Physician and Obstetrics Referral Services should be used as a model to develop similar programs for other health care services, including dental care, psychology, podiatry, optometry, speech and hearing, and prescription medications.
2. The efforts of organizations such as the Lions which provide financial assistance for some health care services should be publicized.
3. Special events should be held throughout the area, both to raise funds to help pay for some of these services and to continue to focus public attention on the problem.

D. PREVENTION SERVICES

1. Resources directories or circle charts should be developed in all five counties to inform residents of prevention services available to them. (This need was identified particularly in Henry and Mercer Counties.)
2. Gaps in service should be identified along with recommendations for how to fill those gaps.
3. Alternatives should be developed for the provision of public health services in Mercer county.

E. MENTAL HEALTH SERVICES

1. Information on the availability of mental health and support group services should be compiled and made available to social service agencies, physicians, union locals and others working with the unemployed.
2. In counties in which services are not available, alternatives for their provision should be developed.
3. Groups already providing low cost mental health and support group services should be encouraged and assisted in continuing to do so.

F. TRANSPORTATION

1. Available sources of low-cost transportation to and from health care services for Mercer County residents should be identified and publicized.
2. If necessary, alternatives for providing additional transportation should be developed.

G. LEGISLATIVE ACTION AND ADVOCACY

1. State and federal legislators should be informed about the results of this study and encouraged to introduce and/or support legislation to help meet the health care needs of the unemployed.
2. An effort should be made to develop and support advocacy groups for the unemployed and provide them with information necessary to work effectively with legislators.
3. Advocacy groups should be encouraged to work cooperatively with other groups concerning health care issues.
4. Legislators and advocacy groups should be provided with information on programs and legislative initiatives taken in other states to address the health care problems of the unemployed.

Chairman **Miller**. Thank you.

Mari Ann.

Ms. **Graham**. Thank you.

Chairman **Miller**. Let me just say to the next three witnesses, and this is one of the unpleasant tasks of the chairman, to the extent to which you can please keep your testimony short, because we're running out of time here, and we want to allow members time to ask questions.

Ms. **Graham**. OK, I'll try to do that.

Chairman **Miller**. But don't pass over anything you think is vital.

Ms. **Graham**. OK.

STATEMENT OF MARI ANN GRAHAM, ACSW, SUPERVISOR, VICTIM SERVICES, FAMILY RESOURCES, DAVENPORT, IA

Ms. **Graham**. My name is Mari Ann Graham, and I don't know about the rest of you, but I have the kind of job that people ask me all the time, why do you do that. I counsel abused women and husbands who are perpetrators, boyfriends, et cetera. I also supervise a program in the Quad Cities that has been in existence for about 6 years, served over 3,000 people in a two-county area.

What I usually say to people when they ask me things like that is that the people that I deal with are not unlike you or I; they're not unlike everyone in this room. And violence is a learned behavior.

And there are certain conditions and stresses that contribute to that. I see as my purpose here today to inform you of some significant trends which we've noted, particularly some of the economic factors. I have decided to highlight a couple of things; the relationship between unemployment and spouse abuse.

And talk briefly about some legal trends that we've noted and with that to say that there are some things being done right. Also to mention just briefly some trends with substance abuse and a broader issue that really deals with change and how change affects families.

So let me start with unemployment. First, I need to dispel a myth and I think it really is a benevolent myth, that unemployment causes spouse abuse. There really is not a linear relationship. We can't say that because someone is unemployed, therefore they will beat their wives or husband for that matter. We can't say that.

But what we can say and which our statistics that are found in appendix A, I won't go into them in depth; you have them before you, but our statistics to indicate that unemployment aggravates spouse abuse. Since 1981, the percentage of unemployed abusers has grown consistently and also the severity of abuse at the onset of unemployment has increased consistently over this past year.

To make that more personal, I have attached another appendix which you can read in your leisure that gives you a personal case description. That case is not out of the ordinary and it's not exaggerated or pumped up to get attention, and we've had enough other personal testimony that I'll dispense with that at this time.

But obviously then based on the fact that unemployment really impacts on the severity of abuse, our program would urge lawmakers to make unemployment a high priority, that it obviously impacts upon the people that we see.

A second thing, which I won't spend much time with, does deal with the legal trends and this has to do with some things that are being done right. When you talk about legal trends, you can talk about civil and criminal remedies. In the past 5 years, there have been significant developments in both civil and criminal procedures. In Iowa, there was a law passed in 1980, the Iowa Domestic Abuse Act, and in 1982, the Illinois Domestic Abuse Act was passed. These are very progressive legislations. They help. The main thing I think that we want to make lawmakers aware of is that really both victims and perpetrators need to know that abusive behavior is not acceptable.

And that's its a punishable offense according to the laws and procedures that govern our society. We just can't stress that enough. It hasn't always been that way. Now, these two acts that I mentioned are civil remedies which means that a person has to hire an attorney. With economics being what they are, that process becomes very difficult.

Clients who can't afford an attorney must go to legal aid and many of them are turned away. Legal aid as you already know has sustained major cuts so that they are not able to handle the volume of cases that we have. But in any event, these civil legislations are going in the right direction. We need more of them; we need lawmakers to review the differences between legislations.

In our region, we serve Illinois and Iowa, and the differences between those two Acts are very significant. One of them is virtually unusable to just say it distinctly, and I would urge that those in positions of power review laws that vary from State to State, and make some attempt to support those laws and revise, reform in such a way that all of the State laws can be brought up to date and get some provisions that are useful to clients.

A couple other things just to mention very quickly, the issue of substance abuse. That's become really kind of a political item these days and like unemployment, we cannot say that there is a linear relationship. We can't say that substance abuse causes domestic violence. But we can say that substance abuse affects domestic violence; it's very safe to say that the use of any substance whether that be alcohol or drugs, contributes to the escalation of a violent episode.

In other words, the violence is apt to happen more quickly. Alcohol and drugs usually act as uninhibitors so that the process is speeded up. In our program, we have found that since 1980, anywhere from 30 to 47 percent of our cases have involved some form of alcohol or substance abuse. That's a pretty high correlation. Again, it's not causation but we're talking a pretty high correlation.

Continued efforts obviously toward preventing and treating substance abuse then will help to slow down the escalation of violent behavior, and we would urge lawmakers to just be aware of that.

And then finally, a broader issue and probably more difficult to speak to is a characteristic that we have noted in all of our clients and that is I say that to mean not only abuse persons but abusers as well. That characteristic we term, rigidity, which has to do with basic inflexibility, and is usually connected with one's expectations for the future.

Now, why do I bring that up in this setting? Well, with the changes that we've noted in the economy, the resulting changes in family structure, witness the increase in single parent families and dual career families, that sort of thing, with those kinds of changes, what we traditionally expect may be virtually unattainable for a lot of families.

So that people are set up in a sense to fail. They believe that I can achieve this. When they don't achieve that, they are frustrated, and my main point here is that changes we've experienced like these, the economic changes, the social changes require corresponding changes in how we think, and how we plan for the future.

Those in positions of leadership need to be sensitive to how these changes have effected our values, our goals, the means of achieving our goals. And so with that, I will close. I've talked with you about several problems that are real. I assure you of that, and I appeal to you to be sensitive to these issues.

[Prepared statement of Mari Ann Graham follows:]

PREPARED STATEMENT OF MARI ANN GRAHAM, A.C.S.W., SUPERVISOR, DOMESTIC VIOLENCE ADVOCACY PROGRAM, SCOTT COUNTY, IA AND ROCK ISLAND COUNTY, IL

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CURRENT TRENDS AND ISSUES IN SPOUSE ABUSE

by Mari Ann Graham, A.C.S.W

Thank you for providing me the opportunity to speak with you this morning about some current trends and issues in spouse abuse. The Domestic Violence Advocacy Program services a two county region in the midwest. Over 3,000 persons have been served during its six year existence, and during that time we have noted certain trends which are relevant to lawmakers concerned with the health and well being of this nation's citizenry.

Unemployment and Spouse Abuse

Let me begin by dispelling what one might call a "benevolent myth." The myth is the belief that there is a cause and effect relationship between unemployment and spouse abuse. There is not a linear relationship between the two. Every knowledgeable and credible victim service agency in the country recognizes the fact that unemployment does not cause spouse abuse. This does not mean that unemployment (or other financial stressors) do not influence spouse abusive behavior, because they do.

UNEMPLOYMENT AGGRAVATES FAMILY VIOLENCE. I will not cite all the statistics that document this trend (they are found in Appendix A of this report), but it is clear that there is a relationship between unemployment and the severity of abuse with the former contributing significantly to the latter. To give meaning to these numbers, I have also included a composite case study which depicts in a more personal way the impact that unemployment has upon violent families (See Appendix B).

One might ask if the previously cited effect is unique to this region. While I cannot answer this question authoritatively, I am safe in stating that this trend is probably not unique. In fact, the Domestic Violence Advocacy Program is in an ideal position to gauge the accuracy of this supposition since it serves both Iowa and Illinois residents. Statistics for both states are similar and support the contention, UNEMPLOYMENT AGGRAVATES FAMILY VIOLENCE.

Whatever lawmakers can do to alleviate the causes and stresses associated with unemployment is, hopefully, high on the list of priorities. The cost to the quality of life in this region is too great.

Legal Trends

Significant trends in civil remedies and criminal remedies are worthy of note. In the civil arena, it appears that the 80's have witnessed an upsurge in state legislation designed to protect victims of spouse abuse and provide various kinds of relief. In our region, we have the Iowa Domestic Abuse Act and the Illinois Domestic Violence Act. Both of these statutes allow victims to file for "orders of protection" and establish other provisions (See Appendix C and Appendix D). Passed in 1980 and 1982, respectively, these two pieces of legislation are quite different in their effectiveness. The critical difference lies in the penalties for violations, and the burden of responsibility placed on the victim after a violation has occurred.

Differences between state laws are not only confusing to victims, they communicate "mixed messages" which only contribute further to feelings of helplessness and powerlessness. Now that laws exist in most states, lawmakers need to review differences between state laws so that effectiveness can be maximized.

In the criminal arena there is a growing concern that prosecutors need to take a more aggressive role. Some of this concern has been motivated by issues of liability given the prevalence of lawsuits directed against State's Attorney's Offices who have not prosecuted cases that have resulted in serious injury or death. From our perspective, liability is not the only reason criminal intervention is warranted. BOTH VICTIMS AND PERPETRATORS NEED TO KNOW THAT ABUSIVE BEHAVIOR IS NOT ACCEPTABLE AND THAT IT IS A PUNISHABLE OFFENSE ACCORDING TO THE LAWS AND PROCEDURES THAT GOVERN OUR SOCIETY.

In keeping with that premise, 21% (or 1,747 hours) of staff time was devoted to legal and police advocacy in 1985.

In conclusion, we would urge lawmakers to remain sensitive to the importance of having civil and criminal laws and procedures which clearly and unequivocally communicate a commitment to the proposition that abuse is not only a crime against the individual victim, but is repugnant to our society in general. Cooperative relationships between legal systems and social service systems is one way of facilitating the communication of that message.

Other Issues

Two other issues merit the attention of legislators concerned with the prevention and treatment of domestic abuse.

In recent weeks considerable attention has been given to the problem of substance abuse. This administration (and others) have designed stratagies aimed at preventing substance abuse. These stratagies range from tougher laws against selling alcohol/drugs to mandatory urine screenings to employee assistance programs throughout the country. Unfortunately, none of these measures appear to be successful in bringing about a decline in substance abuse. As you might expect, this has significant implications for spouse abuse.

While there does not exist a causal relationship between physical abuse and substance abuse, there is a significant correlation between the two. Our program statistics since 1980 indicate that anywhere from 30% to 47% of our cases involve the presence of alcohol or drugs on the part of the abuser, and 12% to 17% on the part of the abused victim. Obviously, removing alcohol or drugs from the environment will not solve the problem since a great many cases do not involve any substance abuse. We can reasonably presume, however, that a decline in substance abuse could "slow down" the escalation of abuse in some cases so that successful intervention and prevention becomes more probable.

Continued efforts, then, toward preventing and treating substance abuse are also efforts to interrupt the cycle of physical abuse for a significant number of families.

Finally, a less tangible factor contributing to the perpetuation of physical abuse is a personality trait common to both perpetrators and victims--rigidity. Rigidity is generally defined as an inability to be flexible and is linked to expectations that things "should" or "shouldn't" be a certain way. Of what use is this information to you?

Changes in the economy and resulting changes in the workplace along with changes in family structures (i.e., dual career families, single-parent families, changing roles of men, women and children) make "traditional expectations" virtually unattainable. Witness the fact that a newly married couple can no longer afford to buy a home in many areas nor can most families rely soley on one income.

CHANGES LIKE THESE REQUIRE CORRESPONDING CHANGES IN HOW WE THINK AND PLAN FOR THE FUTURE. Those in positions of leadership need to be sensitive to how these changes affect our values, our goals, and the means of achieving our goals. More specifically, we need to take a look at the images which we project and which the media project as "normal" or "typical." Education at both primary and secondary levels needs to incorporate the teaching of skills in communication, problem solving and conflict resolution as a way of preparing our nation's children for the realities of adult life.

The problems before us are real. I've talked to you briefly about unemployment, the need for responsive legislation, substance abuse and rigidity as they relate to the problem of spouse abuse. I appeal to you to be sensitive to these issues and use the power afforded your position accordingly.

APPENDIX A

Family Resources'
Quad City Domestic Violence Advocacy Program
(Rock Island County, Illinois & Scott County, Iowa)

Date: August, 1986

Submitted by: Mari Ann Graham, ACSW
Supervisor, Domestic Violence Advocacy Program

A. FACTOR: Unemployed Spouse Abusers

Year	*Total Unemployed	Total # of Abusers
1981	12 (6%)	201
1982	33 (10%)	335
1983	58 (15%)	386
1984	76 (19%)	402
1985	143 (28%)	511
1st Quarter, 1986	29 (20%)	144

B. FACTOR: Increased Severity of Spouse Abuse at Onset of Unemployment

Year	*Increased Severity	Total # of Unemployed
1981	3 (25%)	12
1982	10 (30%)	33
1983	27 (46%)	58
1984	52 (68%)	76
1985	70 (49%)	143
1st Quarter, 1986	12 (42%)	29

APPENDIX 8

COMPOSITE CASE STUDY

John is 34 and Jane is 30. They have been married for 10 years. John began to abuse Jane during their second year of marriage and thus, Jane (and John) have been the victims of spouse abuse for 9 of their 10 married years. Jane reports that the early abuse consisted of periodic beatings which progressively became more frequent and often resulted in contusions and an occasional black eye. She notes that though she was unhappy and questioned her worth, she was still able to function adequately and parent their two children. (She did note, however, that her 8 year old son seemed a bit too aggressive with his five year old sister who she also noted was becoming more withdrawn.) Jane reports that though she was often frightened by John, she was never really terrified until one afternoon she referred to as "that Friday." She remembers it well. John came home early "that Friday" afternoon and told her that he received notice of his impending layoff from his job. She'd never seen him so depressed. (She now refers to this period as the "quiet before the storm.") He was moody; easily irritated and unreasonably dissatisfied with whatever Jane attempted to do.

To make a long story short, two months later John was permanently laid off from his job. From that day until the time she sought our services Jane lived in constant fear. She never knew when her husband was going to beat her and she never knew if she'd be alive at the end of each abusive episode. One night John battered her so severely with an extension cord that Jane was hospitalized for 5 days.

Don't believe for one instant that Jane and John were the only victims of unemployment. Their two children were victims as well. During the time that John became more physically abusive with his wife, he became more verbally abusive to his children. Both children became more aggressive with their peers; began to receive failing grades and there were constant arguments surrounding things that they could no longer afford to purchase.

Jane has since separated from John who has now been unemployed for two years. She continues to suffer from the experience as does John. Their children still bear the emotional scars that are the direct result of witnessing abuse between the two most important people in their lives, thier parents.

John and Jane's story is not an exaggeration of the circumstances. It is not even the worst example that could have been given. Their story is representative of the story of many in our region. It graphically illustrates the affect that unemployment can have upon families.

APPENDIX C

THE IOWA DOMESTIC ABUSE ACT

The Iowa Domestic Abuse Act went into effect in January of 1980 as a means of providing legal protection to victims of domestic abuse. Under the law, "domestic abuse" is defined as assault between family or household members who reside together at the time of assault, or between separated spouses not residing together. The Act provides victims of domestic violence the MECHANISM to obtain a "protection order" or to secure court ordered professional counseling for the parties involved.

Protection orders may provide for such things as:

1. Order to cease the abuse.
2. Assignment of temporary possession of the residence to the abused person, to exclusion of the abuser.
3. Removal of the abuser from the abused person's home, school, and/or place of employment.
4. Determine temporary custody and visitation.
5. Court ordered support to the abused person for a fixed period of time.

In order to obtain any of the aforementioned relief the abused person must first file a petition with the court, which states the names of parties involved, identifies their relationship, describes the nature of the abuse and identifies the kind of relief desired. A hearing is then held within ten days, at which time evidence from both parties is presented and weighed by a judge who then makes a ruling. The law also provides for Temporary Orders which may last up to ten days, and Emergency Orders, up to 72 hours, which are disigned to protect the abused person from further abuse prior to the hearing.

Once an order is in effect there is penalty for its violation. Under the Iowa Domestic Abuse Act the violator of an Order may be punished with contempt of court. If found by the court to have violated the protection order, the abuser will according to the law, be required to serve a jail sentence which may be on weekends.

The Iowa Domestic Abuse Act appears to have great potential to aid victims of domestic violence yet in reality this has not been the case. A major problem with the law appears to be the simple fact that is is rarely, if ever, used. Apparent reasons why the law is not utilized are that it is viewed by some as "cumbersome" and time consuming and that the penalty for violation of an order is not as severe as it could be. In other words, the law does not have the impact it might have if, as in other states, violation were grounds for immediate criminal arrest and prosecution. As it exists in its present form, the protection order, under the Iowa Domestic Abuse Act, may offer the victim little more than a piece of paper.

APPENDIX D

ILLINOIS DOMESTIC VIOLENCE ACT

The Illinois Domestic Violence Act is a progressive piece of legislation which offers several provisions for victims of family violence. The law which went into effect March 1, 1982 has impacted most dramatically upon victims of spouse abuse although provisions are also made for children and incapacitated adults.

This passage of this Act reduces the need for shelter since the violent offender can be barred from the residence. This provision is particularly noteworthy since prior to the passage of this act married persons and even persons who consented to live together could not, under the law, be made to leave their own home. Under those unfortunate circumstances victims were forced to flee violent situations (often with children and often at inopportune times) and establish a safe environment for themselves and their families. With an order of protection the offender can be ordered out of the home, refrained from physically harrassing or otherwise interferring with the personal liberty of the plaintif. Other provisions include:

-ordering the offender to pay support, medical costs and legal expenses
-awarding temporary child custody and prohibiting child snatching
-prohibiting the destruction of the victim's property
-requiring the offender to undergo counseling

If an offender is found guilty of any of these provisions, he/she is guilty of a Class A Misdemeanor and subject to the legal penalties thereof.

To obtain an Order of Protection victims must contact an attorney (if he/she cannot afford one, Legal Aid can file an order). If relief is needed immediately, an emergency or "Ex Parte" order can be filed without notice to the offender. This temporary order would be in effect for up to 10 days within which time a full order of protection hearing would be scheduled. The "full order" can last up to a year and can be filed with or without a petition for divorce.

Finally, the law recognizes the need for victims to be informed of their rights and requires that police officers give victims written notice of their rights under this law. Here is a sample of what the Rock Island Police Department gives its' victims.

The provision of the Act along with the mandated Police notification offers victims of abuse protection under the law which has previously been non-existent.

Chairman MILLER. Thank you. Lee.

STATEMENT OF LEE R. HOUT, C.S.W., ACSW, MANAGER, DIAGNOSTIC AND TREATMENT SERVICES, COUNCIL ON CHILDREN AT RISK, MOLINE, IL

Mr. HOUT. Thank you. My name is Lee Hout. I am testifying as a representative of the Council on Children at Risk.

Our council is a community-based, not-for-profit agency serving the Quad Cities of Illinois and Iowa. As a local chapter of the National Committee for the Prevention of Child Abuse, our mission is centered in the prevention of child abuse and neglect and in serving as a community planning and coordinating agency for services to abused and neglected children and their families.

We appreciate the Select Committee's attention to the effects of chronic unemployment on children and families in our area, and for the opportunity to offer testimony.

Unemployment is a severe problem in the Quad Cities. The impact of this unemployment on the maltreatment of children is clear from what we are experiencing. It is clear in child abuse and neglect statistics and clear in the experiences of service providers dealing with families suffering from conditions related to the increase in those statistics. I will address each of these, unemployment, abuse statistics, and provider experiences with families, in my testimony.

Since 1981, unemployment in this area has averaged 11.4 percent, hitting an all time high of 22.2 percent in January of 1983, and in March 1986, a rate of 12.7 percent which translates as 22,500 jobless people. Our labor market has lost more than 22,000 jobs and further losses are anticipated.

But unemployment statistics do not tell the whole story. They don't for example tell us of those who are no longer receiving unemployment benefits but are still unemployed, or of those formerly qualified as skilled laborers but now are employed in minimum wage jobs. They don't tell us of those who have had to leave the area out of economic necessity nor of those whose jobs are currently at risk.

The impact of unemployment on families is tremendous. It is especially divisive in its contribution to social isolation, loss of self-esteem, decreased social status, and diminished ability to cope with stress. These are the very factors which we have also found in common among abusive families.

The Council on Children at Risk has charted abuse statistics in the Quad Cities since 1974 and has documented steady increases. Consider the following:

A 400-percent increase in abuse reports over the past 10 years from 674 in 1976, to 3,493 in 1985.

A rate of reporting in the Quad Cities consistently higher than in Iowa and Illinois. For example, in 1985, Scott County reported 45.4 reports per 1,000 child population compared to an Iowa statewide rate of 23.3. Rock Island County recorded 26.7 reports per 1,000 child population compared to the Illinois rate of 21.4.

The increase in the percent of confirmed cases of child abuse in Scott County and in Rock Island County dramatically exceeds the increase in their respective states; 46 percent in Rock Island County as compared to 20 percent in Illinois, and 49 percent in Scott County, as compared to 40 percent in Iowa since 1983.

These figures provide direct evidence of increased child maltreatment in the Quad Cities area. Reports from service providers who work with families suffering conditions known to be related to child abuse indicate that unemployment is a strong contributing factor. For example:

An 86-percent increase in requests for counseling between 1982 and 1984 was documented by Information Referral and Assistance Service.

A 17-percent increase in the number of families with unemployed spouses seen at marriage and family counseling services was indicated during that same period of time.

Thirty percent of youth served by the Youth Service Bureau of Rock Island County in 1985 were reported as having an unemployed parent. This figure did not include families where underemployment was a factor.

Thirty-three percent of 1985 referrals to the Youth Guidance Council were family cases where in previous years, police and school referrals of youth dominated.

Steady increases in referrals for service to depressed and suicidal children are reported by the Mississippi Bend Area Education Agency in Iowa. In one rural school district in eastern Iowa this spring, three children committed suicide.

In conclusion, I'd like to quote a colleague's summary of the situation as she has experienced it in her agency:

> Many of the families being seen are experiencing additional stress from the impact of unemployment. Cases that used to be unique but are now commonplace, include; first time founded abuse cases; increased alcohol problems; problems of divorce; low self-esteem; a sense of betrayal; and poor parental control.
>
> Families who previously had not developed strong coping skills have found themselves frustrated and angry at having to ask for help, and sometimes even at a loss as to where to start. They are also angry over their loss of control. Even though unemployment has started to ease, many families carry the scars of how they reacted under the threat of loss.

Thank you.

[Prepared statement of Lee Hout follows:]

PREPARED STATEMENT OF LEE R. HOUT, C.S.W., ACSW, MANAGER, DIAGNOSTIC AND TREATMENT SERVICES, COUNCIL ON CHILDREN AT RISK, MOLINE, IL

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Since 1981, unemployment in this area has averaged 11.4%. In January of 1983, a high of 22.2% was reached in Rock Island County. In March of 1986, the rate for our region stood at 12.7% which translates as 22,500 jobless people. Our labor market has lost more than 22,000 jobs and further losses are anticipated. But unemployment statistics do not tell the whole story. They don't, for example, tell us of those who are no longer receiving unemployment benefits but are still unemployed, or of those formerly qualified as skilled laborers but now employed in minimum wage jobs. They don't tell of those who have had to leave the area out of economic necessity nor of those whose jobs are currently at risk.

The impact of unemployment on families is tremendous. It is especially divisive in its contribution to social isolation, loss of self-esteem, decreased social status and diminished ability to cope with stress. These are the very factors which we have always found in common among abusive families.

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- A 400% increase in abuse reports over the past ten years--from 674 in 1976 to 3,493 in 1985.
- A rate of reporting in the Quad Cities consistently higher than in Iowa and Illinois. For example, in 1985, Scott County recorded 45.4 reports per 1000 child population compared to the Iowa rate of 28.3. Rock Island County recorded 26.7 reports per 1000 child population compared to the Illinois rate of 21.4.
- The increase in the percent of confirmed cases of child abuse in Scott County and in Rock Island County dramatically exceeds the increase in their respective states--46% in Rock Island County as compared to 20% in Illinois and 49% in Scott County as compared to 40% in Iowa since 1983.

These figures provide direct evidence of increased child maltreatment in the Quad City area. Reports from service providers who work with families suffering conditions known to be related to child abuse indicate that unemployment is a strong contributing factor. For example:

- An 86% increase in requests for counseling between 1982 and 1984 was documented by Information, Referral and Assistance Service.

- A 17% increase in the number of families with unemployed spouses seen at Marriage and Family Counseling Services was indicated during the same period of time.
- 30% of youth served by the Youth Service Bureau of Rock Island County in 1985 were reported as having an unemployed parent. This figure did not include families where underemployment was a factor.
- 33% of 1985 referrals to Youth Guidance Council were "family cases" where in previous years, police and school referrals of youth dominated.
- steady increases in referrals for service to depressed and suicidal children are reported by the Mississippi Bend Area Education Agency in Iowa. In one rural school district in eastern Iowa this spring, three children committed suicide.

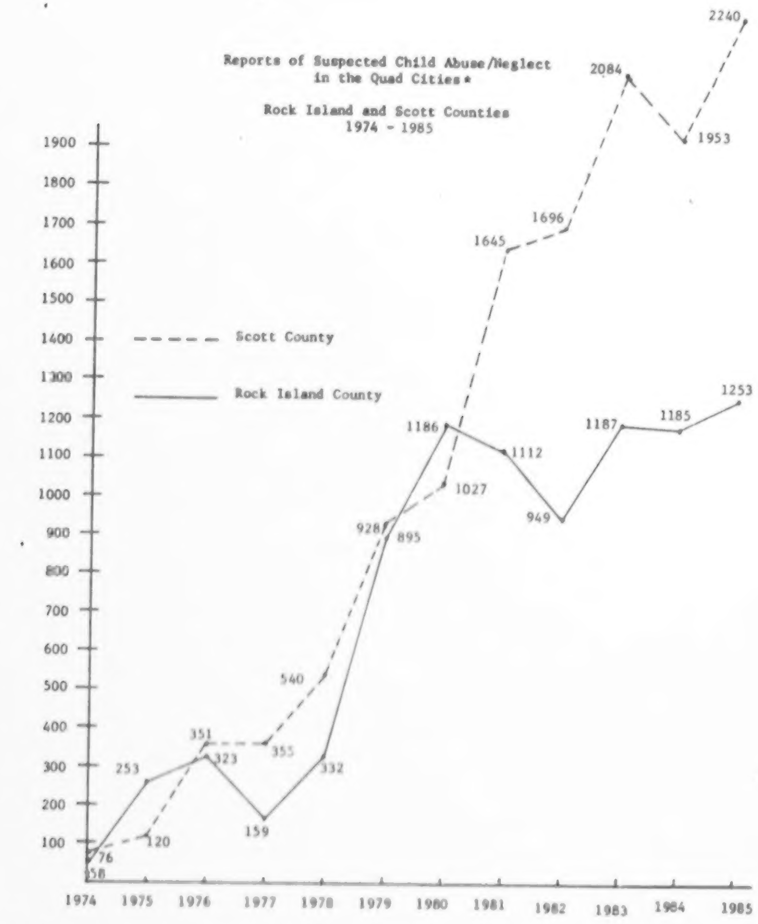
In conclusion, I would like to quote a colleague's summary of the situation as she has experienced it in her agency. "Many of the families being seen are experiencing additional stress from the impact of unemployment. Cases that used to be unique but are now commonplace include:

- first time founded abuse cases
- increased alcohol problems
- problems of divorce
- low self-esteem
- a sense of betrayal
- poor parental control

Families who previously had not developed strong coping skills have found themselves frustrated and angry at having to ask for help and sometimes, even at a loss as to where to start. They are also angry over their loss of control. Even though unemployment has started to ease, many families carry the scars of how they reacted under the threat of loss."

Thank you.

ADDENDUM TO PREPARED STATEMENT OF LEE R. HOUT



Reports of Suspected Child Abuse/Neglect in the Quad Cities*

Rock Island and Scott Counties
1974 - 1985

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
TOTALS	134	373	674	514	872	1823	2213	2757	2645	3271	3138	3493

* By Total Number of Children Reported

CHILD ABUSE STATISTICS
July 1, 1984 - June 30, 1985
(Fiscal Year 1985)

STATE OF IOWA

Statewide there were 16,038 family reports received and investigated of which 4,813 (30%) were determined to be founded.

These reports involved a total of 25,498 children, of whom 6,361 (25%) were determined to be abused.

Scott County

Countywide there were 1,274 family reports received and investigated of which 333 (26.1%) were determined to be founded.

These reports involved a total of 2,240 children of whom 495(22.1%)were determined to be abused.

STATE OF ILLINOIS

Statewide there were 41,463 family reports received and investigated of which 19,348 (46.7%) were determined to be founded (indicated).

These reports involved a total of 69,596 children, of whom 32,212 (46.3%) were determined to be abused.

Rock Island County

Countywide there were 821 family reports received and investigated of which 320 (39%) were determined to be founded (indicated).

These reports involved a total of 1,253 children of whom 496 (39.6%) were determined to be abused.

Source of Information: Iowa Department of Human Services and the Illinois Department of Children and Family Services.

Service of the
COUNCIL ON CHILDREN AT RISK
764-7017

Child Abuse Statistics
July 1, 1983 - June 30, 1984
(Fiscal Year 1984)

STATE OF IOWA

- Statewide there were 15,299 family reports received and investigated of which 4,636 (30.3%) were determined to be founded.
- These reports involved a total of 24,312 children, of whom 6,226 (25.6%) were determined to be abused.

Scott County

- Countywide there were 1,234 family reports received and investigated of which 362 (29.3%) were determined to be founded.
- These reports involved a total of 1,953 children of whom 519 (26.6%) were determined to be abused.

STATE OF ILLINOIS

- Statewide there were 39,233 family reports received and investigated of which 17,858 (45.5%) were determined to be founded (indicated).
- These reports involved a total of 67,058 children, of whom 29,558 (44.1%) were determined to be abused.

Rock Island County

- Countywide there were 728 family reports received and investigated of which 266 (36.5%) were determined to be founded (indicated).
- These reports involved a total of 1,185 children of whom 403 (34%) were determined to be abused.

Source of Information: Iowa Department of Human Services and the Illinois Department of Children and Family Services

Service of the
Council on Children at Risk
764-7017

Child Abuse Statistics

July 1, 1982 - June 30, 1983
(Fiscal Year 1983)

STATE OF IOWA

- Statewide there were 13,652 family reports received and investigated of which 3,275 (24%) were determined to be founded.
- These reports involved a total of 22,706 children, of whom 4,510 (19.8%) were determined to be abused.

Scott County

- Countywide there were 1,156 family reports received and investigated of which 237 (20.5%) were determined to be founded.
- These reports involved a total of 2,084 children of whom 330 (15.8%) were determined to be abused.

STATE OF ILLINOIS

- Statewide there were 36,018 family reports received and investigated of which 15,848 (44%) were determined to be founded (indicated).
- These reports involved a total of 63,432 children, of whom 26,841 (42.3%) were determined to be abused.

Rock Island County

- Countywide there were 716 family reports received and investigated of which 222 (31%) were determined to be founded (indicated).
- These reports involved a total of 1,187 children of whom 339 (28.5%) were determined to be abused.

Source of Information: Iowa Department of Human Services and the
Illinois Department of Children and Family Services

Chairman MILLER. Thank you. Ann.

STATEMENT OF ANN ABEL, DIRECTOR, JOB TRAINING PARTNERSHIP DANVILLE AREA COMMUNITY COLLEGE, VERMILION COUNTY, IL

Ms. ABEL. Congressman Miller and members of the committee, thank you very much for inviting me to testify. I bring you greetings from Congressman Terry Bruce of the 19th District who represents us very well.

I'd like to introduce myself and tell you a little bit about my college before I give our testimony.

My name is Ann Abel, and I'm a community college administrator; I'm also the Director of the Job Training Partnership Program for our service delivery area which is Vermilion County, IL—essentially the same district as my community college district.

My job primarily is to translate Federal and State legislation and funding so that, combined with local resources, we can develop job training and retraining programs that make sense at the local level. My college has taken this on as its mission during the last 5 years, to be a community college that is assuming leadership in economic development in a county that has been extremely hard hit by the recession.

Much of my written testimony will reconfirm the kinds of things that have been said here today, so I'm going to emphasize some of the things I think that are different about our experience and can demonstrate to you our experience in east central Illinois. Vermilion County is located on the east central border of east central Illinois.

During the sixties and seventies, we were an extremely productive county; located in the center of the richest agricultural part of the State. The area also had a lot of heavy manufacturing. We're just east of Champaign County which is the center of very rich flatland in the middle of the State. There is a lot of heavy manufacturing in our county of 95,000. The economy there could really represent a microcosm of this country over the last 5 to 6 years.

Vermilion County faces dual economic and social problems stemming from its urban center and the county's primarily agricultural economy. Danville is the urban center. It is a small town of 40,000 which holds half the population of the county, has a 20-percent minority population, and has a very large teenage parent problem. The county itself has over 6,000 people who are on public assistance. The economic problems that this country has experienced nationwide, we are still experiencing in this small county. At the same time, we are experiencing the rural problems that you've heard described so eloquently here today.

We first have been hurt most by the decline in heavy manufacturing. We've had a highly unionized work force in our county that had drawn high wages. People could start without a high school diploma in the midsixties or midseventies, or with only a high school diploma, and make wages that then were $10 to $15 an hour at General Motors or Hyster Co. or Quaker Oats—those good solid Fortune 500 companies. We've done people a disservice in leading them to believe in a system where, without real skills, they could earn those kinds of wages indefinitely. Now we're living with the results of that.

Through a major effort in our county with many players, including local government, the college, the economic development corporation and local business, we are fighting back and making some economic recovery and seeing a fair amount of economic development. But what is happening, of course, is that we are replacing those high paying manufacturing jobs with service and technical jobs that pay wages of half or less than half and require more skills and training than did the previous jobs.

Although we have not experienced the farm problems to the extent and for the length of time that other farming communities have to our west and south, we are certainly feeling those problems at this time. This time lag in experience is in part due to the size of the mostly family owned farms and the exceptionally productive land in the area.

Very few farms have been lost yet, but farmers are now hurting, with all of the kinds of family problems cited earlier. Furthermore, all the related businesses that support the agricultural economy are suffering badly.

At this time we are still experiencing a 13-percent reported unemployment rate. Two years ago the reported unemployment rate stood at 22 percent. The challenge that we face is to train and retrain a large number of unemployed people for the jobs of the future.

We are a community college operating seven different JTPA grants and all the Job Training Partnership Programs for the Vermilian County SDA. We enroll over 1,400 people a year in the JTPA training programs in the college and throughout the county. We operate a cost-effective program, serving between 5 and 10 percent of the eligible population. The Federal JTPA programs, by plan, can provide a cost-effective program that will not reach more than 5 to 10 percent of the eligible population. As Congressman Martinez referred to earlier, nationwide JTPA is touching possibly 3 percent of the eligible people in need of training and retraining.

One of the great weaknesses of the Job Training Partnership Act is that we cannot use funds for retraining and upgrading of people who are underemployed. I know that this is an issue Congress is examining, and it's an incredibly important issue. While the training of unemployed people is essential, the ability to train and upgrade underemployed people as we move into a more technical society is also critical.

Another dual problem then, and one that is seemingly contradictory, here in the middle of the country where we have such a high unemployment rate, is that going into the year 2000, the country as a whole is facing a labor shortage. It doesn't look like that in east-central Illinois, but we're going to have more jobs nationwide than we have productive workers who can fill them in the coming years.

At this time, 20 percent of our youth in this country are not going to be productive workers unless we do some radical things, and that is going to have to come from a national full employment policy and from a national human resources development policy. Twenty percent of the youth who are teenagers right now are not going to have the basic education skills, literacy, or family values toward work that will enable them to do the jobs that we will have for them to do.

Therefore, we're going to be in the business of importing immigrant workers or exporting our jobs because we have no choice. We will not have productive workers that can do the jobs that we have to do. And at the same time, we have American labor that is going without jobs, so the whole issue of retraining is a major issue in this country.

My major recommendation would be that we must have a full employment policy at the national level that not only includes job creation but sees job training and retraining of all our work force on an ongoing basis as a part of our national obligation.

We would see that the Department of Health and Human Services, the Department of Labor and the Department of Education must have some kind of joint human resource development policy that requires and carries out a cooperative effort in delivering services.

Again, it is unusual for a community college to be providing the leadership in community economic development efforts. Rather than continue my testimony, I would be happy to answer any questions you may have.

Thank you very much.

[Prepared statement of Ann Abel follows:]

PREPARED STATEMENT OF ANN ABEL, DIRECTOR, JOB TRAINING PARTNERSHIP, DANVILLE AREA COMMUNITY COLLEGE, VERMILION COUNTY, IL

The major problem effecting children, youth, and families in this county in east central Illinois is the lack of employment opportunities, and all of the social ills that accompany unemployment.

With a current unemployment rate of 13% - which is down from over 20% two years ago, Vermilion County is still suffering the harsh effects of the recession. The lack of job opportunities effects youth and families far beyond the obvious lack of adequate income. A general malaise sets in with many people who lack purpose in their lives - who have too much time and not enough to do. Without good role models or available jobs, disadvantaged youth develop little ambition. People begin to expect that the world, i.e. the government, owes them a living through various kinds of public assistance.- And we do owe them a living -- through full employment.

Full employment requires economic recovery and new jobs. Economic development, job creation, and job training and retraining for available and new jobs are essential elements of the economic recovery effort in Vermilion County. Danville Area Community College has been the leader in the county-wide economic recovery effort over the past five years.

> In 1980, the College established a Business and Economic Institute, one of the first among community colleges in Illinois. The B&EI develops customized training programs and seminars for local business and industry. Business pays for this training provided for their current employees.
>
> In 1981, DACC was instrumental in organizing the Danville Area Economic Development Corporation. Over $500,000 in local contributions was raised to establish this office, which is independent of the College. The Economic Development Corporation continues to operate on a $200,00 annual budget, nearly all private sector contributions.
>
> 1982, DACC and the EDC gained the cooperation of local labor and management groups to organize the Danville Area Labor

Management Council. The Labor-Management Council has had a strong influence on stabilizing relations between labor and management and improving the local business climate. The Danville Area LMC was one of the first established in Illinois, and is often used as a model in this state.

1983, As the next step in the economic recovery effort, DACC accepted the responsibility for the new Job Training Partnership programs for Vermilion County, by appointment of the Vermilion County Board and the Private Industry Council. Clearly, effective training and retraining were key to the success of transitioning the manufacturing based economy to one based on service and technical occupations. As the only institution of higher education in the county, and the sole provider of adult training, the College has the major resources; facilities, staff, and equipment, for training and retraining programs. DACC also has the image and reputation in the county to influence cooperation from other educational institutions, public agencies, local government and the business community. The attached information describes the Vermilion County Job Training Partnership, as operated by Danville Area Community College. Detailed information on programs and performance is included.

In 1985, DACC, in cooperation with the Danville Area Chamber of Commerce, established a Small Business Development Center. The SBDC is housed in the Chamber offices and is funded by the Illinois Department of Commerce and Community Affairs. It provides assistance to developing small businesses in Vermilion County.

Additionally, in 1985 the taxpayers in Community College District #507 approved a tax referendum for the purpose of upgrading and expanding the science and technical training facilities at the College. At this time, DACC is implementing a long-range plan to provide education and training to meet the needs of local business and industry into the next century.

Dr. Ronald K. Lingle, President of Danville Area Community College, is currently president of the board of directors for the Danville Area Economic Development Corporation, is an ex-officio member of the Labor Management Council, and is a member of the 18 member national board of the American Association of Community and Junior Colleges. With his vision and energy, Dr. Lingle has provided exceptional leadership to the College and the community.

There is an unusual commitment by this community and by the College to turn the economy around in this county. As a community college, the mission of Danville Area Community College is to the entire community, not just to those students who enroll in academic transfer programs. The work in turning a community around is painstaking and the results are slow to come. But together, we are turning it around.

VERMILION COUNTY JOB TRAINING PARTNERSHIP

DANVILLE AREA COMMUNITY COLLEGE

June, 1986

INTRODUCTION/BACKGROUND

The Job Training Partnership Act (Public Law 97-300) of 1982 is federal legislation permanently authorizing federally funded job training programs and services. The U.S. Department of Labor allocates JTPA funds to the state governments. In Illinois, JTPA is administered by the Illinois Department of Commerce and Community Affairs. There are 26 Service Delivery Areas (SDAs) in Illinois, providing JTPA services to all 103 counties. In each SDA, local Private Industry Councils (PICs) provide oversight and policy guidance for JTPA programs. The local unit of government with jurisdiction over the service delivery area (Vermilion County Board), by mandate of the Act, appoints the Private Industry Council. There are 36 members on the Vermilion County PIC. The PIC and the Chief Elected Official must both review and approve local job training plans submitted jointly from the SDA to the State for approval.

With the implementation of JTPA in 1983, Governor Thompson designated Vermilion County a separate JTPA service delivery area, making special exception to the JTPA guidelines requiring a base 200,000 population for an SDA. This designation was based on a strong application from this county which identified it as a separate labor market area, with significant economic differences from the contiguous counties - i.e. - unemployment rate, manufacturing based economy, high minority population. The county and city government, DACC, Chamber of Commerce, Economic Development Corporation, Labor Management Council, and public agencies made a coordinated request to the state to permit the new job training program to be planned and administered locally as a part of the economic recovery effort, and to meet the training needs of Vermilion County residents and employers.

Danville Area Community College was unanimously selected in 1983 by the Vermilion County Board and the Vermilion County Private Industry Council to be the grant recipient, administrative agency and planning entity for all JTPA programs in Vermilion County. DACC/JTP operates the JTPA Title IIA, Title IIB Summer Youth, Title III Dislocated Workers, Title IB-O Older Workers, and ICCB and ISBE 8% grants.

ENVIRONMENT

Conditions in Vermilion County make it a microcosm of Illinois and the nation during the recession. Located in east central Illinois, the county has a population of 95,000. Danville is the population and employment center, with 40,000 residents. Geographically the county is large, and outside of Danville, mainly agricultural. The local economy is a classic manufacturing economy in transition. The major employment has been in heavy industry, and is being replaced by lower paying service and technical jobs. The unemployment rate is currently 13%. The minority population in Danville is 20%, with a disproportionate share of minorities unemployed. Youth unemployment is high as adults have taken the lower paying or part-time jobs. The school dropout rate and percentage of the population receiving public assistance is exceptionally high. The number of female heads of household and teen parents is high and increasing. As with all job training programs, these factors heavily influence local planning.

MISSION AND GOALS

The purpose of the Job Training Partnership, is to develop and maintain programs to prepare youth and adults in Vermilion County for entry into the labor force, and to afford job training to economically disadvantaged persons and other persons facing serious barriers to employment.

In accepting the responsibility for the Job Training Partnership, Danville Area Community College has expanded its mission to include the training, retraining and job placement of eligible unemployed workers in Vermilion County. JTPA enabled DACC to provide training and services to a large group of residents previously not served by the College. Together, DACC and the JTP subcontractors have coordinated all the resources in Vermilion County, under the Partnership umbrella, to establish a county wide job training system to identify and train the eligible population.

The primary goal for DACC in implementing JTPA in Vermilion County is to strengthen area economic development/job creation efforts. The College has been a leader in the economic recovery and economic development effort for several years. The Partnership contributes to the economic development of the county by providing trained workers to meet local occupational demand and the specific needs of local businesses. Cooperation with the area Economic Development Corporation offers JTP training and resources as a part of the local economic development package to attract new employers, or assist employers in expansion or retention.

STAFF

DACC established a separate department to administer and staff the Job Training Partnership program. The Job Training staff has the full responsibility for administration, fiscal management and reporting, program planning, and the supervision of the Job Training Partnership on the DACC campus, and the countywide system of subcontractors. The DACC/JTP client services unit provides outreach, recruitment, eligibility determination, application, assessment, and counseling services to all JTP eligible applicants for this county. Marketing, development of on-the-job-training, and job placement is also provided by DACC/JTP staff. All Job Training staff are employed by the College, and were hired and trained specifically for the operation of this program.

By direction from the Private Industry Council, DACC subcontracts several JTP training and services projects to other education agencies and community based organizations. Subcontractors this year include VOTEC, Center for Children's Services, Illinois Migrant Council, Vermilion County Opportunties Industrialization Center, East Central Illinois Community Action Program, Laura Lee Fellowship House, Georgetown Unit #3 Schools, McKinley School for the Disabled, CRIS Senior Services, Rehab Products and Services, Inc., and Hampton Associates (Indianapolis).

PROGRAMS AND BUDGETS

The following JTPA grants are operated by Danville Area Community College for Vermilion County:

Title IIA - Adult/Youth Job Training Program; year-round training for economically disadvantaged clients, the largest of the grants and the backbone of the Job Training Partnership system. Approximately 820 persons will be enrolled this program year, July 1, 1985 - June 30, 1986. 60% of the adults enrolled will complete training and enter employment. The law mandates a high level of youth service, with a 40% adjusted expenditure rate required for programs serving youth 16 - 21.

The Title IIA budget for PY'85 is $950,000. 70% of the budget must be spent on training; there is a 15% limitation for administrative costs, and 15% may be spent for support services for participants. Seven federal performance standards measure the positive outcomes for Title IIA. Additional funds are awarded as incentives to local programs exceeding their performance standards.

Title IIB - Summer Youth Job Training Program; provides pre-employment training, vocational exploration, tryout employment and work experience to economically disadvantaged youth 14 - 21 years old. 410 youth enrolled summer of 1986 in county wide program. Budget $436,000. Half the SYJTP budget is used to pay participants for work at minimum wage. The Partnership has developed an exemplary summer program in Vermilion County with the participation of over 190 private sector and public employers.

Title III - Dislocated Workers Program; retraining for displaced workers who have lost their jobs due to company closures or elimination of their jobs in local business or industry. 135 persons enrolled this year, $143,000 budget, 75% entered employment rate.

Title IBO - Older Workers Program; training and services for economically disadvantaged persons 55 years of age and older. 40 persons enrolled this year, $52,000 budget.

JTPA 8% Education Grants, from state education agencies administered by DACC/JTP:

> Illinois Community College Board, Education and Training - PY'85 enroll 12 students fulltime at DACC in credit hour programs, support services - $15,607 budget.
>
> Illinois State Board of Education, Education and Training - PY'85 enroll 15 students DACC fulltime, $15,841 budget.
>
> ISBE Economic Development Grant - Providing on the job training to 43 new employees at Schumacher Electric Company in Hoopeston as a part of their current expansion, $45,000 budget.

JOB TRAINING

The following kinds of training are provided by the Partnership for eligible residents of Vermilion County:

> Basic Education - GED classes are designed and scheduled for JTPA eligible clients. High school equivalency training may be a first component in job training for participants who do not have a high school diploma. English as a Second Language training is also provided at DACC for JTPA clients.
>
> Vocational Skills Training - Individuals are enrolled in classroom training programs to prepare them for specific occupations. Training programs may be from six weeks to two years in length. One year certificate and two year associate degree programs are available to JTP clients, in addition to short term, high intensity skill training programs provided by the College and other JTP subcontractors. This year JTP clients are receiving training in the following skill areas: nursing (includes certified nurse assistant, LPN, and RN), medical technician, food service, electronics, data processing/microcomputer, secretarial, long distance truck driving, deisel mechanic, computer programming, retail sales, groundskeeping, building maintenance, accounting/bookkeeping and computer aided drafting.

Limited Work Experience - Short term, hands-on work experience with a public employer is sometimes combined with classroom training programs. The work experience is directly related to the classroom training.

On-The-Job-Training - This is a hire first, on-site training program for which the employer is reimbursed 50% of the employee wages during the training period. The client is trained for a regular job with that employer. The JTP worker is then retained in a permanent, unsubsidized job.

Customized Training - DACC/JTP can design customized training for local business and industry. This training is done on-site or in the classroom.

Youth Training - Training for youth 16 - 21 years old is a priority for the Job Training Partnership. There are numerous special projects operated by local education agencies and youth serving agencies in addition to the above listed training options. These provide pre-employment instruction, career exploration, and try out employment with private and public employers.

JTP RESULTS IN VERMILION COUNTY

The Job Training Partnership nationwide is a performance driven program. Federal performance standards are established by USDOL for Title IIA., the largest program. The Vermilion County Job Training Partnership, DACC, has met or exceeded all seven federal performance standards each of the three years of operation. This program year, PY'85 - all seven performance standards will be exceeded by more than 15% - therefore qualifying this SDA to receive incentive funds for all seven standards. No other SDA in Illinois has accomplished this to date.

Examples of special successes this year are:

1) Participation in the Schumacher Electric Company expansion with on-the-job training; over 100 new employees this year, 85 are JTP trainees.

2) General Electric on-the-job training; 11 of 15 new jobs are JTP clients, wages over $9.00 per hour.

3) Three of the valedictorians in the 1986 DACC graduating class were JTP students.

4) 68 adult welfare recipients were hired in fulltime jobs, removing those families from public aid.

5) 40% of JTPA clients enrolled and entering employment in Vermilion County are minorities.

6) Female heads of household are the single client group with highest success rate, i.e. completion of training and entering employment.

7) Special recognition of the Vermilion County Summer Youth Job Training Program in NAB WorkAmerica, national conferences, White House Awards nomination.

CONCLUSION

Of great importance to the PIC and DACC, there is a continued high interest and support for the Job Training Partnership from the clients who need training, the business community, and elected officials. In order to provide effective job training and services, it is essential for the Partnership in Vermilion County to maintain strict accountability to our many publics and to those officials who represent us. Please contact the JTP offices at the college with any concerns, or for information at any time.

Chairman Miller. Thank you. I'd just say that the points of your testimony obviously are catching other people's attention. Over the weekend there was a long front page piece in the New York Times on the total mismatch in this country among policies relating to unemployment, job training, retraining, et cetera.

And it's clear that again, while we're constantly told by our business community that we can't afford to train and retrain, most of our competitors in the world market that are beating our pants off are doing exactly that in terms of trying to keep all of the people productive for a longer period of time. And somehow we keep thinking that we're saving money by not doing it, but there's no evidence of that in the trade budget.

Lane.

Mr. Evans. Well, I have a million questions and I might ask, Mr. Chairman, if we could maybe write to these witnesses with some followup questions because I think we could be here all day with the excellent testimony presented. I'd like to focus in two quick areas in general question to anybody who cares to answer.

In terms of the people talking about the trend in the farm situation, really what we're looking at is something Business Week called deinflation and I think it's not only because of lowered land values and lowered farm income in terms of income that farmers realize from the hogs or grains that they produce, but also because a lot of people, as a previous witness, Steve Mullens, indicated, have lost their off-the-farm jobs as well.

Has that been a problem in downstate Illinois as it has been here, or throughout the Midwest? Or maybe you've studied it because you've talked a bit about the deinflation in farm values and farm income. Has that also contributed to the problems that you're seeing elsewhere?

Mr. Hannan. Yes, we're seeing that as part of the problem. It's pretty frustrating for us to be out there as litter bearers. We need something more than that, we need something equivalent to the Commission that we had when the shuttle blew up, that we will get an answer to this rural issue and we'll get it in a timely fashion, and from that, we will design a plan that we will be able to 25 years from now look ourselves in the mirror and say we did what we knew to do.

Mr. Evans. OK, anybody else want to?

Mr. Cecil. I think that in a way, having an off the farm income has actually caused more farmers to survive, you might say, in our area, southern Illinois. When you look at the statistics, the harder hit area is going to be in the western part of the State. So I think in a way, Mr. Evans, that the off-farm income has given them more hope to persist in supporting the habit of farming.

Mr. Evans. I guess my question is directed to the point that many of the same people that are facing the farm problems, and Bill Deadmond might be able to testify in regards to UAW relations connections, is that a lot of farmers have lost their off the farm jobs as well, and that means they're having a more difficult time keeping their farms and I just wanted to, you know, that's a problem obviously in this district because of the heavy impact of manufacturing here, and I just wondered if that was a general problem downstate Illinois and perhaps elsewhere in the midwest?

Mr. **Conger**. Well, as the farms go under of course the main-street businesses that support them go under and many of the people who have off-the-farm jobs in this kind of work will lose their positions.

Mr. **Evans**. I just, one other quick thing and we'll probably have to quit at that point. Is that at the same time, this may be more of an observation and maybe someone would want to comment on it, at the same time that we're having an increased burden on our local providers, our agencies and their staffs, budget cuts have meant in many instances that we have less staff to do that, and I don't know, you know, we have because both the farm problems and urban problems are dealt with by some of the same social workers, their impacting very heavily on the social workers and the other people that provide for these clients, and I don't know if there's any comments that maybe Mari Ann she's nodding her head may have.

Ms. **Graham**. I'm nodding my head. I don't know that I could add to that, Lane, other than that we feel the crunch in the Quad Cities area, the social service community there is really scrambling for bucks. That comes as no surprise, I'm sure.

Mr. **Ranney**. I'd like to add to that a little bit. I think that one of the things that we're seeing coming out of this negative situation is quite a positive one; that is some increased network and we're trying to get hand in hand with our mental health worker friends in this kind of thing.

I feel like that same sort of thing needs to happen at the highest levels. Our last witness talked about the separation between the Department of Labor and the Health and Human Services Department and all these agencies. If we really want to talk about waste, I think that separation is an indication of the level of it. The possibilities for us to work together on programs are immense, but the barriers to it are bigger at this point and it's a very difficult situation.

Mr. **Evans**. That's all for me, Mr. Chairman.

Mr. **Levin**. Well, just briefly, you know, it strikes me George that a lot of these communities which most of America hasn't heard about are microcosms of problems throughout the country. As I look at the statistics on the Quad Cities area for example.

Let me just ask, and it would be helpful if you could send us some further details about the impact of programs in your particular areas, but I can't resist the temptation to talk just a bit about JTPA and the Vermilion County which is also kind of a microcosm. Just quickly, what more could we all be doing?

We hear about JTPA and it covering only a small percent and it is, and a lot of those people are covered with training and resume composition which is important, interview techniques which is important, but not so much beyond that. Could you use much more JTPA to put it in simple English in your county or is that just a lot of talk from those of us who are already for it?

In your county how would it work? Is there a mismatch or are there jobs that could be created or matched? Are there people to be trained?

Ms. **Abel**. Yes, Congressman Levin. First of all, our approach has been to train and retrain people to prepare them for current jobs or jobs in the future. While resumes, interviewing techniques, and job search activities are a part of that, we do almost none of that exclusively. That may not be true in many parts of the country, but JTPA is a job skills training and retraining program in Vermilion County.

The outcomes that we've gotten with the JTPA funds have exceeded all seven Federal performance standards. Those of you who work with JTPA I know are aware of these standards. By the Federal Government standards and some additional measures promulgated in Illinois, our performance has been excellent. We have been able to enroll a very large number of people for the dollars that we receive, and we also achieve extremely high outcomes in a county that is suffering from a major recession.

We could use twice as much money and still get good results. I can't represent the whole State.

Mr. **Levin**. But seriously, you would enroll twice as many students?

Ms. **Abel**. We would enroll twice as many people and I would guarantee you the same percentage of results. We have unusual cooperation in the county and the college has a good public image. We also have many potential clients who apply but who cannot receive services because of funding limitations. As our program has developed, the business and labor communities have a high interest in working with the partnership to hire our trainees. Again, I can only report on conditions in my county and our JTPA service delivery area.

Mr. **Levin**. Thank you. Thank you, Mr. Chairman.

Chairman **Miller**. Marty.

Mr. **Martinez**. One of the things that we found in the JTPA hearings that we've held all over the country is that there is a tendency because of the performance standards qualifications criteria that people will take those people that are more likely to be trained and easily trained in the program they provide in order that they can guarantee their placement.

Do you find that a problem here or are you taking everybody as they come as they qualify under the different titles?

Ms. **Abel**. The old issue of creaming.

Mr. **Martinez**. Right.

Ms. **Abel**. Well, first of all, in our county, we have consistently filed the title IIA program, the largest training program that reaches out to a lot of people. Over twice as many people apply annually than we are able to enroll. We design a wide range of training programs that will aim at youth, will aim at handicapped people, will aim at people who don't have high school diplomas, and therefore need basic education skills. We serve dislocated workers because we're running the title III program. We also operate the Older Workers Program, the title IIB Summer Youth Program, and the State Education 8 Percent Program. We have to have a complex program design that will meet a wide range of needs. But, we do use assessment for appropriate placement in training programs. One of the great weaknesses of employment and training systems in the past has been the lack of appropriate assessment which results in placing people in a training program where they might fail.

So I would like to report to you that we are serving the difficult to serve; we are in fact screening for placement in appropriate training according to their aptitudes interests, and achievement. We only put a small portion of people in college credit programs, by the way.

Mr. MARTINEZ. I would like to ask permission of my chairman to communicate with you further and have my staff director send you some questions that I do have but I don't want to take up the time of the committee here.

One other question that I have is Jody, the statement that you made, was that statement prepared by you or the person that was originally scheduled to testify, Mary Ann Graham?

Who is Jody Cook, the assistant manager?

Chairman MILLER. That's the next hearing.

Ms. GRAHAM. No, no. I'm Mari Ann. And I prepared this particular statement having corroborated with the previous person who was scheduled to appear.

Mr. MARTINEZ. All right, then probably only to me and maybe no one else, the statement was confusing, inconsistent and contradictory and I would like to communicate with you and not take up the time of the committee here, to communicate some of my difference with some of the statements made.

The first one and I'd only just touch on it, is you probably would have been more accurate to say that an unemployed person won't necessarily be an abuser, but not to say that it doesn't absolutely, the condition of frustration that arises in that person in the constant presence of the people that he feels responsible to that he feels that he's somehow failed is what causes that frustration which leads to that because in testimonies we've received in other committees throughout the different places we've been has been constantly people who are employed for 30 years good husbands, good fathers, not abusers; all of a sudden after a short period of time of being unemployed, then it led to the alcoholism that you talk about and then that led to the frustration of that person even to a greater degree, amplified it or exaggerated it to the point that it led him to do things, abuse children and wives that they had never previously done.

And so there is a direct correlation between them for some.

Ms. GRAHAM. Yes; I agree with you that there is a direct correlation. When you get into causation, that's a more sophisticated kind of thing to prove so I'm very careful about making those kind of statements, but I completely agree with the correlation.

Mr. MARTINEZ. OK, one last quick statement to Ann Abel. Certainly, your name is appropriate. You are very able in that area that you are working and one of the things that you said that I really want to comment on is our obligation to a full employment national policy. Charlie Hayes of Illinios has such a bill. We are trying to get that moved and action on it. There's like in any bill some things that have to be changed in the bill to make it saleable to the rest of the Congress and we're trying to do that.

But I think that the statement that you make in that sense is one that we've had over the past history of this country, statements made to that effect and legislation passed to that effect, and still it's not being carried out by this Administration. Thank you.

Chairman **Miller**. Thank you. And, again, my thanks to each member of the panel. I think that between the two panels, you've given us a very significant look at a very troubled community. And I would have to say that these statistics and the profiles that you have painted in this panel of the various programs you are involved with and in the constituencies and families, I'm not sure most Americans believe that is going on in the Midwest, in the farm family, that group we say is the backbone of America.

Your testimony strongly suggests it's time for a spinal transplant. And I don't think that a lot of people in other areas really believe that the picture is as bleak as you have set out, and yet, clearly the evidence shows it is. I think that you've given us ammunition to show how some of these short-term policies are going to be very expensive for us in the future, whether because we too lose our farmers, or because people avoid preventive medicine and as a result develop more expensive medical problems, or because people avoid counseling and develop were severe mental illness as a result.

Or whether in fact they end up in a homicidal/suicidal situation, as all of you have testified to. I think this is something for Congress to seriously consider, as we're about to go into apparently another round of budget cuts. I think that the hard evidence that this panel has given us perhaps will provide the ammunition to tell this administration and other Members of Congress that that would be exactly the wrong direction to go with respect to the social problems that are confronting America's farm families, the urban families, and manufacturing families that are interdependent in this part of the country.

And I just want to thank Congressman Evans very much for giving us an opportunity to have this kind of exposure, and again to pick up the kind of evidence that we need to reverse a lot of terrible short-term decisions that the Congress has to save a dollar when so many other times we find out it not only costs us many dollars down the road, it costs us our families, our children, and it costs us the hopes and aspirations of the next generation, as Tracy and others have testified to.

So thank you, and my thanks to everybody in the audience for being with us today, and again we welcome comments or additions that you would like to make.

My thanks to the members of the committee and especially to Congressman Evans who has pounded on me for a considerable period of time to come to see this, because it just cannot be allowed to continue.

Lane, thank you.

[Whereupon, at 11:40 a.m., the select committee was adjourned.]

[Material submitted for inclusion in the record follows:]

Quad-City Electrical JATC
2835 7th Avenue
Rock Island, Illinois 61201
Steven A. Taylor, Training Director
(309) 788-0036

August 14, 1986

AUG 21 1986

The Honorable George Miller
United States House of Representatives
Select Committee on Children, Youth, and Families
385 House Office Building Annex 2
Washington, D.C. 20515

Dear Sir:

Having attended, as an observer, your hearing held August 11, 1986, in Galesburg, Illinois, concerning the impact of unemployment on family constellations, I would like to briefly share some observations on this problem with you.

As a training director, I am in frequent contact with people seeking employment in our apprenticeship program. My wife is a social worker with Travelers Aid, thereby having extensive contact with persons forced to become itinerants in the quest for employment. Both of us have noted a disquieting phenomenon relating to long term unemployment or underemployment. My contact occurs when the person involved usually has not been out of work long enough to have given up on the system. He/she is frequently employed on an irregular basis or in a position of little status and few prospects for advancement. As we can employ a very small percentage of applicants, I see many of the same people year after year, increasingly discouraged with their prospects and beginning to sink into the malaise very much evident by the time such people encounter people in positions such as that held by my wife. By that time they have often gone from marginal job to marginal job and have lost a great deal of confidence in their personal worth. Families have disintegrated or are in trouble, and the next generation issuing from these people have accepted an itinerant, dependent lifestyle as normal.

We both strongly believe that, without significant government intervention, an entire generation of people with a discouraged, confused, and antisocial view of life will result from the problems which many perceive to be strictly economic in nature. Those of us who continue to believe that individual humans have an intrinsic value greater than statistics strongly urge that you continue your fine work to help these people in trouble.

Sincerely yours,

Steven A. Taylor

Prepared Statement of James E. Tiller, Ph.D., Psychologist and Child Clinical Specialist, Spoon River Center, Galesburg, IL

In the last several years, mental health professionals have witnessed the erosion of family systems in this area. Several factors play a part in this assault on family stability. Two prime factors, mobility and rapid social changes certainly play a part. The high unemployment and economic situation in Central and West Central Illinois place added stress on families already hard pressed to cope. We have seen a whole way of life face extinction. Family farms are facing bankruptcy and foreclosure.

As a therapist, I see the casualties of the present economic and farm policies. Suicides of financially strapped farmers and other family members are too common. Families under extreme stress need to vent that stress. All too often that venting takes the form of alcohol and other drug abuse, family violence, depression, and divorce. It is easier to strike out at a spouse than on some amorphous principle called "the farm and economic policy". Often the anger and frustration individuals feel is destructively directed outward to the nearest person or object or inward to emotional or physical problems.

The plight of other workers in the area is equally discouraging. Many of the manufacturing jobs were in heavy construction and farm equipment. These industries in this area have taken a beating. Another traditional employer, railroads have faced hard economic times. The retail and service industries economically and geographically linked to this area have also suffered.

It is discouraging as a therapist to see clients whose emotional situation is compounded by unemployment. Many of the emotional and mental health problems we see respond well to short-term counseling and perhaps medication. But, the child who is acting out because his mother is depressed because her husband is drinking because he is laid off sometimes need more than we can provide. They need a sense of hope in the future. That is very difficult to provide when this area seems to have such a cloudy economic future. While I seldom tell my clients "what to do", I have encouraged several who have job prospects elsewhere to leave the area for those employment opportunities. Even though it means giving up family and friends, it is often one of the few options open to them.

It is depressing to hear a father describe filing for bankruptcy and foreclosure. I ask these men straight out if they plan to kill themselves, because I hear their anger and sadness. This is in spite of their platitudes of "it will get better". Most are thankful that they can at least talk to someone about their sense of failure and hopelessness.

The children in these families of unemployment and underemployment also suffer. Their grades deteriorate, they may act out socially and sexually, they also frequently abuse chemicals. All of these are escapes from what they see as a hopeless world with little future. Five years ago a young man or woman could look forward to a good career in this area. Now their future is elsewhere. They will not likely follow in their parents' footsteps. Often these parents feel failure and disgrace in not being able to "provide a better life" for their children.

The recession hit this area very hard, and we have not recovered economically. The feeling is one of being left out. We hear about the sunbelt jobs, the boom out West, and the recovery of the Northeast. But, the Midwest seems to have been forgotten. The farm crisis was big news, but after the TV documentaries left, it became bankruptcy and foreclosure as usual. This area has a strong work ethic and a history of productivity and service. These people made the heavy equipment and the tractors that made the roads and produced the grain and livestock to feed millions. Today these seem less valued in a society that seems to need a new missile more than a new tractor.

The mental health professionals and others see the fall out of this full tilt lunge into high tech and service economy. The rules of job success seem to have been radically changed overnight. At a time when people could benefit most from counseling they are least able to afford it.

Retired people who expect to supplement their income by selling their home find that it isn't worth as much as it was five years ago. A family that invested in a home and tries to sell it now can find that they owe more than it is worth. If they are laid off or unemployed, they discover they can't afford to sell it or make the payments. This sort of economic and financial turmoil is very stressful for family function. The essence of a functional family is stability with flexibility. It is difficult to keep a sense of stability when the outside forces seem so unpredictable and chaotic.

I'm concerned that we as a society are undermining the very human social institutions we rely on to make our system work. How can parents teach their children about the value of sacrifice and hard work when their own values are so sorely tested? I have a fear that if timely intervention is not forthcoming, then West Central Illinois may become a new Appalachia, the backwater, forgotten "rust belt". The people that I see aren't looking for a "handout" or "make work". They are looking for the dignity and sense of productive purpose that has been taken from them.

Illinois Department of Employment Security
910 South Michigan Avenue • Chicago, Illinois 60605

PREPARED STATEMENT OF WERNER L. BOTHWELL, ESME II

Mr. Chairperson;
Honored Members of the Select Committee on Children, Youth and Families;
and Honored Guests:

WELCOME TO GALESBURG, an official "All-American City!"

Our Citizens are proud of our mid-western, old-fashioned morals and love of family and country. Our workforce is largely skilled workers whose employers enjoyed amongst the nation's highest productivity rates and best quality-controlled products. Because of this, the heavy industry manufacturers flocked to this area. Our abundant soil resources blessed this area with a pronounced emphasis on the agricultural economy.

HOWEVER, both heavy manufacturing and agricultural industries were devastated by a variety of governmental policies which over time have created conditions of plant closings and farm foreclosures. The process of following the law of supply and demand, which necessitates diversifying from those industries which are weak, into new areas, is an extremely slow, painful process. Our citizens can not accomplish this task without your help.

My job as an employment counselor with the State of Illinois, Department of Employment Security, has kept me in daily contact with the displaced and unemployed of this area. I see all too well the impact unemployment means on the individuals and their loved ones. As a public servant, I and my co-workers take our job seriously. The Galesburg office has gained state recognition for our high productivity and success in job placement. Our staff gained national recognition for developing the Job Opportunities for Youth Program, which was a pilot project evaluated by an independent research firm as one of the top three youth programs in the nation. Our veteran employment program was chosen as top in the state.

The Disabled American Veterans selected co-worker Michael Wilson as the Nation's Outstanding Employee of the Disabled Veteran Outreach Program. Our success is the result of hard work during times when our office staff was cut by nearly one-third over the last five years. We coordinate services with other community services to avoid duplication. We encouraged our clients to utilize the successful retraining or incentive programs such as JTPA, TJTC and EVT. Now, however, these programs are threatened. TJTC, an income-tax incentive program was not renewed December 31, 1985. The EVT has suffered cutbacks and is threatened. These are nationwide programs which I feel are desperately needed. Even the Job Service national funding has been under pressure and further cutbacks are anticipated.

To epitomize the plight of how unemployment affects some families let me tell you about a 16 year old boy who told me yesterday he wished he could die. His mother is a single parent trying to raise two children. She has been unemployed for over a year. Her unemployment benefits were exhausted after 6 months. Her skill levels are only average so during times when employers accept only top notch, high skilled employees, her chances for immediate employment are poor. Because food levels in his apartment are always low, the 16 year old eats at friends and neighbors. The rent has not been paid and eviction proceedings have been started. The boy has shared his mother's worries about life necessities for the family and consequently his school grades have fallen dramatically this year. His mother has now developed a drinking problem to drown her sorrows. In an attempt to convince his mother to return to her old self, the boy threatened to leave if she didn't find a new apartment and reduce her drinking. Unfortunately, neither has occurred.

This boy's statement that he wished he could die was a cry for help. I hope the Select Committee on Children, Youth and Families will hear his cry for help and convince the legislature that the best policy to help families is to assist policies favoring keeping Americans working. If I, or other community leaders, can be of help in reaching this goal please let us know.

THANK YOU.

Werner L. Bothwell
ESMR II
1936 N. Henderson St.
Galesburg IL 61401
309-344-1244

PREPARED STATEMENT OF GREG GULLETT, ASSOCIATE DIRECTOR, THE CHILDREN'S HOME, GALESBURG, IL

In lieu of Mr. James Sherman, Executive Director of The Children's Home, I am here today to give testimony before the Select Committee on Children, Youth and Families. I would like to thank the Congressional Committee for this opportunity to testify on such an important area as is the conditions of central Illinois' children, youth and families.

Let me begin by saying that The Children's Home of Peoria, Illinois has been providing social services to central Illinois children and their families since 1866--120 years. We are a not-for-profit, non-sectarian, private agency. Our services span ten program areas along a full continuum of services--from pregnancy prevention and value clarification in the public schools to an on-campus residential facility for 40 severely emotionally and/or behaviorally disturbed youth and their families. During FY '86, we will provide intensive home-based clinical services to more than 900 children and their families. Additionally, our prevention programs will work with more than 2,000 children in the public schools. Over 90 percent of our clientele are serviced in the tri-county area of Peoria, Tazewell and Woodford Counties. With an agency staff of approximately 100 full-time professionals and a budget of approximately 2.5 million dollars, we will have delivered services to approximately 6,000 individuals within the tri-county area.

What do we find as we work with these youth and their families?

First, we find that while the national unemployment rate is hovering around 7.1 or 7.2 percent, central Illinois families are experiencing unemployment rates of 11 to 14 percent, and in some communities nearly 21 percent. It is important to note that these rates of unemployment do not include the number of unemployed who have given up hope of finding employment and therefore dropped out of the workforce. It is also important to note that for our youth, teenage unemployment in the tri-county area is reported between 40 and 60 percent depending upon the community.

In an effort to help my own two sons understand the magnitude of these statistics, (one in five workers is unemployed), as we walked through the neighborhood in which we live, I have asked them to count houses. One. Two. Three. Four. Five.--"In that house, the parents are unable to find a job anywhere in this community. It's not that they don't want to work, son, it's that there are no jobs." Christmas, birthdays, etc. will be slim for this family again this year. They're in danger of losing their home because they can't meet the payments." And its been like this for the past six years--it's chronic!

With the downturn in the agricultural industry, we have seen Caterpillar, J. I. Case, International Harvester/Navastar, John Deere, and WABCO Industries experience significant stagnation and economic deficits. The results have been lengthy and, in many cases, permanent layoffs. Many of the ancillary support businesses to the agriculture and farm product industries have also stumbled and/or fallen. The results on central Illinois families and their youth/children have been devastating.

Second, the economic downturn, which began in 1980 for central Illinois, has been going on for the past six years. The most significant consequence of this six years of grim economics has been the EROSION OF HOPE for many of our families and their children. The windows of opportunity created by jobs which allow families to earn a meaningful wage, provide for their children, and participate in the American Dream, are only occurring for four out of five families. One in five families is struggling, losing hope, and beginning to disintegrate.

Third, what are the consequences? The tri-county area of Peoria, Tazewell and Woodford Counties has an estimated population of 500,000 people. Of this number, approximately 35,000 are between the ages of zero and 18. Of these 35,000 children, nearly 1,700 became wards of the State of Illinois as a result of child abuse and/or neglect during the past year. This is an increase of over 400 percent since 1980. More than 700 families were reported for sexual abuse, which resulted in approximately 550 identified children victims. This represents an increase of 600 percent over the FY '82 statistical base. Nearly 1,000 of the tri-county children gave birth to an infant. More than 1,200 of these tri-county children were charged with criminal acts (delinquency prosecutions). And approximately one-third of the children reaching ninth grade are dropping out of school before completing their high school diploma. Even more appalling is the thought of those statistics--children and families--compounding year after year after year. For example, a six-year-old who is sexually victimized this year will likely require years of social services to repair the damage.

These abhorrent statistics reflect the consequences of the EROSION OF HOPE within families. Approximately 80 percent of the families The Children's Home works with come from the ranks of the unemployed or severely under-employed. Many of these families were new to the welfare rolls in 1980, 1981, 1982, and 1983. However, as the years have gone on and new economic opportunities have failed to materialize and, therefore, replace the lost job opportunities of the early 80's, families experiencing temporary stress have moved into families experiencing chronic stress. Unemployment benefits have long since expired and families have become dependent for survival on welfare. Yet, welfare is not what family strength, parental egos, and the American myth is all about. Rather, existing under the welfare state eventually leads to frustration, lost hope, and eventually anger. One of the results of this anger is a SIGNIFICANT increase in the levels of substance abuse, physical abuse, domestic violence, sexual abuse, divorce rates--all indicators of increased family disintegration.

All of the above is indicative that the American myth--the American dream--is not working in central Illinois for one in five families and their children. Families and children are embittered and angry. What can they do about the anger? If the anger is directed inward, many of these individuals eventually exhibit acute and chronic mental health and child welfare needs. If the anger is directed outward, many of these children exhibit criminal acts resulting in delinquencies resulting in an increased need for our probation, police and correctional services.

Yet, the need for increased child welfare, mental health and department of corrections services are only results of the diminished WINDOWS OF HOPE created by opportunities through full employment. Jobs provide opportunities for families and children to reinvest in the dreams and hopes of the future. Until the number of jobs in central Illinois increases, the demands for child welfare, mental health, and correctional services will continue to increase. Our families and their children are our hope for the future. Jobs provide windows through which these families and their children can see options for their future. I urge you to help central Illinois families and their children have hope once again for their future and the American dream.

Thank you for allowing me this opportunity to testify before the Congressional Select Committee on the plight of central Illinois' children, youth and families.

Greg Gullett
Associate Director
The Children's Home

PREPARED STATEMENT OF SHERRY JOBE, COORDINATOR, DISLOCATED WORKER PROGRAM, GALESBURG PUBLIC LIBRARY, GALESBURG, IL

Since October 1984 Galesburg Area has been served by a special Dislocated Worker Project for the former employees of Outboard Marine Corporation - Gale Products and Galesburg Mental Health Center. Two hundred fourteen (214) participants were enrolled in the local program during the first eight (8) months. During the current fiscal year three hundred and one (301) participants have been enrolled in vocational retraining or on-job-training contracts (OJT). Besides these two (2) major focuses of the program other supplemental services have been offered.

A short term Employability Skills Class is repeated every two weeks to provide career assessment, counseling, skills inventory and a special emphasis on job seeking skills such as: completing applications, preparing resumes and interviewing techniques.

Special workshops, seminars and job club meetings are sponsored by the Dislocated Worker Program to address the needs of our participants. The two (2) most recent job club meetings were: a presentation by Mayor Jerry Miller on Galesburg's economic development activities, highlighted by his diplomatic trip to Japan and South Korea, and an outline of hiring procedures and potential job openings at the new Galesburg Correctional facility by Warden Jerry Gilmore. Both of these meetings were well attended and very beneficial to our program participants.

State funds utilized by our Dislocated Worker Project represent some glimmer of hope for a brighter future of our clientele. Without this assistance for retraining many would have lost all sense of direction. This area's high unemployment and generally bleak economy compound the depression of the displaced worker and their families. Many seminars on coping with stress have been organized to aid in addressing family emotional problems steming from unemployment.

Through the efforts of the Illinois Department Commerce and Community Affairs (DCCA), very limited funds have been distributed throughout the state as equitably as possible. However, a real void still exists in many areas of Illinois, in particular Knox County and adjacent counties. Without a designated Dislocated Worker Center in the area, many displaced workers can not be served. Our existing project for Outboard Marine Corporation and Galesburg Mental Health Center, plus two (2) recent grant proposals for the former employees of Wilson Foods which closed May 31, 1986 in Monmouth, and a grant for Dislocated Farmers - merely scratch the surface of our unemployed residents in this area! Our soaring unemployment rate attests to the need for a Dislocated Worker Center status to assist all displaced workers who reside in our immediate vacinity. We urge all support possible for expansion of Job-Training-Partnership-Act (JTPA) Title III funding for the Industrial Belt States hardest hit by the decline in manufacturing and escalating unemployment.

Carl Sandburg College is the grant recipient for Job-Training-Partnership-Act (JTPA), Dislocated Worker Program (DWP), Center for Agriculture, Business and Industry (CABI), Small Business Development Center (SBDC), and numerous other ecomomic development functions and activities. Although the College is extremely dedicated to the prosperity and economic growth of the Carl Sandburg College district - they can not achieve results alone. All factions of government must be committed to provide funds and direction to the local Community Colleges for implementation of important programs to assist our troubled unemployed families of Illinois.

Respectfully Submitted,
Carl Sandburg College

Sherry L Jobe
Sherry L. Jobe
Coordinator of Dislocated Worker Program
Coordinator of Economic Development

Heart of Illinois
United Way

509 West High Street
Peoria, Illinois 61606
(309) 674-5181

August 13, 1986

TO: Joyce Bean, Office of Lane Evans, 17th District

FROM: Judith Q. Cole, Director of Planning and Allocations

RE: Additional Information for the Select Committee on Children, Youth, and Families

Thank you for your time after the hearing last Monday. As we discussed, the information presented at the hearing is echoed in the Tri-County area of Peoria, Tazewell, and Woodford counties. These, incidentally, are the counties for which the Heart of Illinois United Way provides services. I would like to add a couple of brief statistics that I feel were not covered by the hearing participants, but may be relevant information for the Select Committee. Our 36 participating agencies report that due in large part to very high unemployment figures:

- United Way services for emergency food, shelter, utility and rent assistance, and clothing have increased 398% since 1981.
- Counseling services to dysfunctional families and children have increased 31% since 1981.
- Foster care services for children who are unable to stay in their homes because of lack of economic or psychological support have increased 43% since 1981.
- United Way-supported emergency shelter needs for children who have been abused or who are potential targets for abuse have increased 77% since 1981.
- Alcohol and drug abuse services by United Way agencies have increased by 51% since 1981.
- Services to victims of domestic violence and abuse -- who happen to be mostly women -- have increased 22%.

These numbers, we feel, tell the tale of a community which is hurting. It is necessary, also, to add to these tremendously increasing service demands an approximate $731,000 loss in Federal/State funds to our area during the current Federal fiscal year. Even though the unemployment rates seem to be on an upward curve, those women and children who have been deserted or physically abused because of past joblessness, those families

Barbara Williams
President

Duane Howard
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Sandra Ullman
Vice President-Planning

Bruce Snyder
Vice President-Campaign

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Ralph Converse
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David Leitch
Robert McMillan
James Poupard
Robert Randle
David Ransburg
George Schaefer
George Shadid
Charles Sherman
Richard Spires
Gene Swager
Mack Verhyden
William Vogelsang
Mary Jane West

who have been destroyed, or those people with alcohol problems will not instantaneously recover because the unemployment rate drops. These effects are long lasting and emphasize the need for continuing government support for programs which will not only put people back to work, but help those who are suffering the effects of past joblessness.

Thank you for the opportunity to provide this information to you.

JQC:kf

AUG 21 1986

Ms. Patty J. Caldwell
5006 46th Avenue Court
Moline, Illinois 61265
August 12, 1986

Congressman Lane Evans
328 Cannon Building
Washington, D.C. 20515

Dear Lane and Members of the Select Committee on C.Y.& F.:

Since I didn't have an opportunity to testify at the hearing in Galesberg yesterday, I wish to submit the following comments and concerms. On first draft I determined my comments made too lengthly a letter so I have abbreviated my concerns into outline form. If you and your colleagues wish further clarification, I will be happy to oblige.

I. One segment of family status I feel was omitted from testimony was the plight of middle-aged widows.

   A. Women are more likely to survive their male counterparts.

   B. Social Security (S.S.) doesn't cover housewives, no accumulation of pension benefits, etc.

   C. S.S. defines a "widow" as a woman at least 60 years old with no children in her care.

   D. S.S. defines "widowed mother" as a woman with minor children in her care.

   E. BUT a widow with no minor children cannot collect S.S. benefits before age 60 unless she is at least 50 years old and totally disabled.

   F. Widows have no severance pay or unemployment benefits.

   G. Widows usually go through death insurance benefits in 2 yrs.

II. Family Status of Middle Aged Widows

   A. They are part of the "sandwich" generation. They have young adult children, who many times are under employed, or unemployed, often living at home.

   B. They have aging parents, some of whom are in nursing homes where expenses are exceeding their incomes and who are fearful they will outlive their assets.

   C. Widows often see the necessity for leaving their area to seek employment opportunities, but are limited in taking such action because:

      1. no market for their home

      2. because of their age and for tax purposes, they may be obligated to reinvest in another home, yet:

a. because of their financial and unemployed status, may not qualify for a new home loan

b. feel it may be too risky to deplete investments from insurance benefits into a new home

3. Leaving home area creates stress due to loss of support systems.

a. family/friends

b. church

c. community

d. "What ifs?" (wrong job? wrong location? can't adapt to new setting? grandma/pa needs me?

III. Job Potential for Middle Aged Widows

A. Re entry to job market difficult for ANY woman in this age bracket, more so for bereaved individual.

B. Depending on educational background and/or experience, opportunities may be:

1. Limited without retraining

2. she May be "over qualified" making younger individual a more economical hiree.

C. "Over qualified" may be a polite way of discriminating because of age.

IV. Security vs. Marital Status

A. If remarriage occurs before age 55, the widow may:

1. loose pension annuity and/or health insurance benefits

2. If remarriage fails:

a. rewidowed: may not be as well provided for 2nd time as first.

b. may have inherited more debt

c. divorced: possibilities too ghastly to contemplate!

V. Tax liability

A. Filing singly vs. jointly--no need to reiterate arguments of this situation.

B. If fortunate enough to have investment income, it fluctuates depending on interest rates and economic status of country.

VI. Access to low cost legal assistance and TIMELY procedure through our court system.

- A. This access especially crucial to farm families and farm widows.
- B. This assistance should be available for ALL legal problems, not just those dealing with bankruptcies and foreclosures.
- C. Widows with minor children especially need access to legal assistance in dealing with schools/educational issues.

VII Full employment for ALL as it relates to Middle Aged widows.

- A. Middle aged widows need employment for:
  - 1. psychological well being
  - 2. economic benefits
    - a. personal
    - b. collectively (tax payer as opposed to tax user)
  - 3. Better able to financially assist aging parents, young adult children and grandchildren.
- B. Employment prior to their retirement years would assure that widows would be less likely to deplete investments resulting from death (life) insurance benefits, thus assuring better financial protection for their own Sr. years and less likelyhood of becoming burdens to their families or tax payers.

You may not be aware that I was widowed 17 months ago at the age of 47. My children are 19 and 26 years of age. I have one grandchild, 9 months old. I couldn't help but be especially concerned as I listened to the testimony of farmers being uninsured or under insured, thereby in the event of their death, their widows would be left with nothing to live on, no way to get out from under their inherited debt load, no way to establish credit, and few if any employment options.

I can't help but wonder about the incidence of suicide of farm widows and if the statistics of suicide/homacide are not indicative of a solution to what seems to be an insurmontable situation.

I am currently unemployed, not by choice. I am on the "qualified" list for 15 jobs at a state level position with salaries ranging from $15,000 to $27,000. I lost count of jobs for which I did not qualify or for which I was deemed over qualified.

My employment possiblities would probably be better outside the mid-west, a move and risk I could afford to take if I had "freedom of movement" (tied down to house for many reasons mentioned in above outline.)

I am not adverse to further education but since I have a college degree and have been repeatedly told I'm "over qualified", I hesitate to assume expense and time of further education with the possiblity of narrowing rather than broadening my employment potential.

I welcome discussion and suggestions to my own dilema as well as others. Unfortunately, I feel the Quad Cities is a good place to be "from" and am looking into options and risks of moving "to" (???)

Sincerely,

Pat Caldwell

Pat Caldwell
(309) 764-5000

P.S. Thank you gentlemen for visiting our area not just to LOOK but to SEE. Not just to LISTEN but to HEAR. Not just to TALK but too COMMUNICATE with your peers on the plight of our mid-West families.

Pat C.